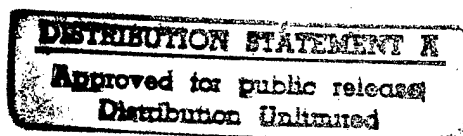


JPRS 84146

18 August 1983



# West Europe Report

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18 August 1983

## WEST EUROPE REPORT

No. 2190

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## FIRST CHURCH-SPONSORED PEACE MARCH ORGANIZED

Copenhagen BERLINGSKE TIDENDE in Danish 7 Jul 83 p 2

[Article by Jorgen Davidsen]

[Text] Denmark's first church-sponsored peace march ended yesterday in Silkeborg town square. The march organizers were the shop groups "The Underground" and "Faith in Action," two of the numerous labor groups within Danish Church Life. But even if only 200 of the 2,000 Church Life members took part in the initial peace march, it attracted more than a little attention within the Church Life organization. A few hours before the march was to begin, the Church Life committee appeared, making an official statement to the effect that this was not a march officially sponsored by Church Life. And a member of that committee, theologian Christian Balslev-Olsen, being equally uncommitted told BERLINGSKE TIDENDE that this was something they were not for. However, nothing was said about being against it either.

A jazz quartet sponsored by the group organizers, a 1-meter high cross made of cardboard boxes, nice weather and television coverage were all part of the church-sponsored peace march, whose other main participants were Jorgen Ry Rasmussen, a Socialist People's Party (SF) member from the Silkeborg town council, and Niels Jorgen Jorgensen, a student minister from Lundtofte in Copenhagen.

There were banners which read "Danish Church Life for Peace," "Peace Be With You and Your Neighbor" and "Methodists for Peace," for example. And then there was the presentation of a peace cannon. We want to take care and stress the spelling because there was actually talk about a canon as well, a very rhythmic antiphonal sung by Church Life members to words like "Peace and love/and justice/peace yesterday as well as tomorrow."

8952

CSO: 3613/147

THEATER FORCES

NORWAY

BRIEFS

NORDLI GIVES VIEWS ON EUROMISSILES--As the first prominent Labor Party politician, Storting President Odvar Nordli has given the signal that he will accept a midway solution of the Geneva talks which implies reduced deployment of intermediate-range missiles. Nordli admits that his view will create controversy in the Labor Party. [Text] [Oslo AFTENPOSTEN in Norwegian 16 Jul 83 p 3] 8985

CSO: 3639/142

## ETA MAY STEP UP ATTACKS DURING SUMMER

Madrid YA in Spanish 1 Jul 83 p 1, 11

[Text] July may bring an escalation of terrorist activity following a reorganization of the executive committee and the intelligence commands.

According to police reports received by YA, the terrorist organization ETA may be considering launching a campaign of violence which would make the following months a "bloody summer". This armed gang is undoubtedly the primary concern of the government.

Apparently the Ministry of the Interior has confidential reports indicating that the the relative "silence" of the "milis" machine guns could be broken very soon. This limited respite ordered by ETA's leadership in France could have been caused by the months of imprisonment imposed by French authorities on their leader Domingo Iturbe Abasolo ("Txomin") and by a reorganization of the heart of the Biltzar Txikia (executive committee) of ETA military.

After "Txomin" was imprisoned the leadership of the terrorist organization went to "Antxon" although it is possible that "Txomin" has continued to control the ETA military from his cell. Apparently Domingo Iturbe Abasolo ordered a partial "cease fire" of a technical nature, in order to avoid police pressure at the time the reorganization was going on and the new support and intelligence commands were being established in Spain.

At the same time it seems that there have been some changes in the executive committee of ETA even though the "Txomin" is still at the top. The motive behind the reorganization of the terrorist leadership is not exactly known although it is obviously in keeping with the reenforcement of a more aggressive hard line position.

Experts in counter terrorism think that the ETA military has rebuilt its intelligence commands and reinforced its infrastructure sufficiently to launch a new offensive against the state. Police believe the scale of ETA violence will be increased in July while it will significantly be reduced in August.

Relevant to the situation is the spectacular attack 10 days ago by Iparretarrak activists (The Ones from the North) on a truck loaded with explosives in the vicinity of the Fench town of Isturiz, near Hasparren. As a result of this "strike" the Basque/French terrorists seized 150 kilos of dynamite. Are ETA

and Iparretarrak activities synchronized in any way? The police think they are and they say that three-fourths of the dynamite could still be held by the "milis", who at this moment are short of "supplies" since the loot from the naval powder magazine at de Soto (Santander) must be unusable.

Based on these indications YA's information sources maintain that ETA's military branch could be preparing a bloody campaign for the summer which will concentrate on criminal activities with explosives.

#### Possible Shift of "Poli-Milis" to the Autonomous Commands

Meanwhile, what is going on in the ETA's eighth politico-military assembly? Our sources believe that an undetermined number of activists may have joined the autonomous commands in the struggle after being rejected by the ETA military due to a lack of confidence in the "poli-milis". Police sources expect the autonomous commands to continue their "normal activity" this summer without engaging in any special campaign.

Finally, no significant resurgence of activity is expected in another Spanish terrorist organization the Grapo [ 1st October Armed Revolutionary Group] whose limited number of fighters will continue with their sporadic attacks. Although the Grapo has not been "touched" by the police for months, its infrastructure is very weak and has not gained in numbers despite new recruitment attempts.

8146

CSO: 3548/463

## SWEDEN TO JOIN DANISH GAS NETWORK

Copenhagen BERLINGSKE TIDENDE in Danish 19 Jul 83 Sect III p 2

[Article by H K: "Sweden waiting for Danish Natural Gas"]

[Text] The future Danish-Swedish cooperation in natural gas which is now being realized will be a new link in the close relations between the two countries. The Oresund Council, which consists of representatives from municipalities on both sides of the Sound, has just published a pamphlet about this cooperation in energy.

Skane was tied into the Danish natural gas network in 1985, and Denmark will be the supplier for a long time into the future in that the Swedish transmission line for natural gas from northern Norway to the continent is still in a very preliminary stage. The pamphlet stresses the great importance natural gas will have for the environment on both sides of Oresund. Burning only natural gas avoids sulphur dioxide and soot which occur when oil and coal are burned.

Thirty municipalities on the Danish side of Oresund in the capital area will get natural gas in 1984, while the installation work for the natural gas network will be ready in October 1984, while the installation work for the Scanian natural gas network will be ready in October 1985 when the underwater pipes from Drager reach Klagshamn south of Malmo and thereby make Skane the first part of Sweden with natural gas.

The agreements stipulate that Swedegas AB will already in 1985 receive about 135 million cubic meters of natural gas from Denmark. Thereafter the yearly quantity will increase steadily to 390 million cubic meters in 1991, after which the Swedes will obtain yearly from 1992 for 10 years 400 million cubic meters of North Sea gas from Denmark.

## Option

This means that Swedegas AB will purchase totally during the entire period barely 6,550 million cubic meters natural gas from Dansk Olie og Naturgas A/S. In addition Swedegas AB has the option to an additional 400 million cubic meters gas from 1990 to 2003.

The deliveries of natural gas to Sweden are small in comparison with the enormous quantities which have been found so far in the North Sea area. That involves about 5,000 billion cubic meters natural gas, and the experts calculate that a further 6,000 billion cubic meters of gas will be found in the area.

6893

CSO: 3613/155

## BRIEFS

OFFSHORE PETROCHEMICAL RESERVES REVISED UPWARD--It appears from a new investigation made by [DGU] Denmark's Geological Survey that the undetected reserves of petroleum and natural gas in the North Sea are greater than previously believed. The Danish Subterranean Consortium [DUC] has concentrated up to now on boring in places where the calcium deposits form upward "bumps". But the new investigations indicate, according to DGU, that there can be considerable finds also outside these "bumps." Part of the project has been financed with research funds available from the Ministry of Energy. The investigation has included the calcium deposits in the southwest part of the Danish sector in the North Sea. It is in this area that the Dan, Corm, Skjold, Thyra and Roar fields lie. The investigation by Denmark's Geological Survey is occurring just as the Ministry of Energy is making public the first round of offerings in the North Sea. DUC has just finished borings and trial production in the evaluation boring T-3 in the structure Nord Arne about 75 km northwest of the Gorm field. A. P. Moller reports that the results attained may be regarded as disappointing in that the tests solely produced water. Assessment of the structure is continuing. [Text] [Copenhagen BERINGSKE TIDENDE in Danish 12 Jul 83 Sect III p 2] 6893

CSO: 3613/155

## BANK OF ITALY ANALYSIS OF ENERGY CONSUMPTION

Rome STAFFETTA QUOTIDIANA PETROLIFERA in Italian 20 Jun 83 pp 9-11

[Text] Consumer use: From 1973 to date petroleum products dropped from 61 to 39 percent. The general report presented at the Bank of Italy's assembly set forth the profound changes in the energy field since 1973 both in terms of structure of use and of final consumption. Following are broad excerpts from the Bank of Italy's analysis.

Domestic use of primary source energy diminished in 1982 by 2.3 percent following a similar decline in 1981 and a 1.5 percent drop in 1980 (Table 1). Energy requirements in relation to Gross National Product further fell by 2.2 percent. This decline was caused mainly by decreased use of petroleum products (-4.4 percent), which was partially compensated by more widespread use of solid fuels. Net imports of the latter, which constantly increased from 1979, rose 4.5 percent; those of petroleum and its derivatives dropped by 4.2 percent (-4.7 percent in 1981), chiefly because of the considerable decrease in purchases of crude oil. Natural gas imports also decreased by 3.5 percent, as in the preceding year, which, furthermore, was accompanied by a slight increase in national production.

Over all, the energy balance sheet closed with a deficit slightly higher than that of 1981: 29.944 trillion lire, equal to 6.4 percent of the Gross National Product (7.3 percent in 1981). The negative totals of the petroleum balance sheet, which constitutes the largest part, was unchanged compared with last year, since the dollar appreciated compared with national currency. This counterbalanced a quantitative decrease of imports and the drop in the price of crude and its derivatives.

End-user demand for energy decreased in all sectors, except for that of transportation. Net of bunkering, consumption under this heading increased (3.9 percent) particularly because of the further increase of demand for diesel oil for transportation vehicles, due both to the continued expansion of transportation of goods by road and the more widespread distribution and intensive use of automobiles with diesel engines; demand for gasoline remained substantially stationary, since the higher number of automobiles available was accompanied by a lower average use per unit of fuel. In industry, including nonenergy chemical uses, the decline in consumption, which

began in 1980 was accentuated (-4.9 percent in 1982 and -4.6 percent in 1981), resulting in a further reduction of energy use per unit of value added. Lower consumption affected all except solid fuels; use of petroleum products once again suffered the sharpest drop (-8 percent), on a level with that of last year. In the consumer area (domestic, business, public administration and other services, agriculture), use of energy declined for the third straight year, even though to a lesser degree (-1.2 percent in 1982), mainly due to the lower demand for heating fuel (-8.4 percent); however, the use of electrical energy increased. Use of electricity overall increased by a modest 1.4 percent, but this was not negligible after the decrease in 1981.

#### Trends and Adjustment Policies

Nine years after the first petroleum shock, the overall need for energy in relation to the Gross National Product dropped by 17 percent and that of petroleum products by 29 percent. With the policy of source diversification, which was intensified in recent years, the structure of uses of energy changed to a significant degree: use of natural gas, whose share of the total increased by almost six percentage points; and coal, whose contribution to satisfying overall need increased by three points (now 10 percent), was concentrated in the last 3 years; the petroleum share dropped from 75 to 64 percent. However there was no change--considering the inelasticity of domestic supply--in the degree of Italian economic dependence on imports from sources of energy, which remained on the level of 82 percent.

Even the structure of end use changed considerably from 1973 to date (Table 2). One-third of all energy is used by general consumers and such use is characterized by the breadth of source diversification achieved during that period: the share of petroleum products, almost exclusively diesel oil for heating, was reduced from 61 to 39 percent; that of natural gas more than doubled (now 22.5 percent); that of electrical energy rose from 24.5 to 36.2 percent.

In all industry, consumption of energy as a share of the total, including the amount of energy products used in the chemical sector as raw materials, diminished by almost six percentage points. The direct impact of petroleum and its derivatives on consumption in the sector decreased by about 14 points; the diversification among sources was achieved through more use of natural gas and solid fuels (respectively +3.1 and +2.8 points), but above all by more widespread use of electrical energy (+8.2 percent) which now accounts for 37 percent of the total.

The sharp reduction in industrial use of energy is a reflection of the change in the productive structure of the sector, and of investments and various measures taken to save energy. There was a reduction in the weight of some productive areas characterized by high use of energy sources per unit of product.

The extent of energy use constantly decreased in the period under consideration (Table 3). Specific uses of energy for all products from industrial

manufacturing dropped in the two periods 1974-1979 and 1980-1982 to averages of 17 percent and 13.4 percent respectively from an average 19.6 percent in the 4 years immediately preceding the first crisis.

(a)  
Tabella 1

(b) BILANCIO DELL'ENERGIA  
(milioni di tonnellate equivalenti petrolio)

(c)	(d)	(e)	(f) 1981	(g)	(h)	(d)	(e)	(f) 1982	(g)	(h)
Disponibilità e impieghi	Comb. solidi	Gas	Petr.	En. elettrica	Totale	Comb. solidi	Gas	Petr.	En. elettrica	Totale
Produzione (i)	1,2	11,6	1,5	11,3	25,6	1,2	11,9	1,8	11,8	26,7
Importazioni (j)	13,2	11,5	108,1	2,5	135,3	13,8	11,1	105,0	2,2	132,1
Esportazioni (-) (k)	0,5	—	14,9	0,4	15,8	0,4	—	15,7	0,7	16,8
Δ scorte (2) (l)	-0,4	-1,0	-0,1	—	-1,5	-0,1	-0,9	-0,7	—	-1,7
Impieghi di fonti primarie (3) (m)	13,5	22,1	94,6	13,4	143,6	14,5	22,1	90,4	13,3	140,3
Composizione percentuale (n)	9,4	15,4	65,9	9,3	100,0	10,3	15,8	64,4	9,5	100,0
Trasformazione in en. elettrica (o)	-4,9	-1,8	-21,8	+28,5	—	-5,6	-2,6	-20,4	+28,6	—
Consumi e perdite (-) (p)	2,2	0,3	6,8	6,9	16,2	2,3	0,3	5,9	6,4	14,9
Impieghi di fonti finali (3) (q)	6,4	20,0	66,0	35,0	127,4	6,6	19,2	64,1	35,5	125,4
Composizione percentuale (n)	5,0	15,7	51,8	27,5	100,0	5,3	15,3	51,1	28,3	100,0
di cui: industria (r)	5,1	8,7	14,2	19,9	47,9	5,4	8,0	12,6	19,4	45,4
(3) trasporti (s)	—	0,3	28,3	1,0	29,6	—	0,3	29,5	1,0	30,8
usi civili (t)	1,0	9,3	17,8	14,1	42,2	0,9	9,4	16,3	15,1	41,7
usi non energetici (u)	0,3	1,7	5,7	—	7,7	0,3	1,5	5,7	—	7,5

(v) Valutata a input termoelettrico, convenzionale e costante di 2.200 Kcal per KWh.  
(w) Il segno (+) indica riduzione delle scorte (-) incremento.  
(x) Inclusi i bunkeraggi marittimi internazionali (3,9 milioni di Tep nel 1981 e 4,1 milioni di Tep nel 1982).  
(y) Fonte: Elaborazione Bankitalia su dati contenuti nella Relazione generale sulla situazione economica del paese e nel Bilancio energetico nazionale del ministero dell'Industria.

Key:

- a. Table 1
- b. Energy Balance Sheet (millions of tons in petroleum equivalents)
- c. Availability and use
- d. Combined solids

[Key continued on following page]

- e. Gas
- f. Petroleum
- g. Electrical energy
- h. Total
- i. Production
- j. Imports
- k. Exports (-)
- l. Change in inventories
- m. Use of primary sources (3)
- n. Percentage composition
- o. Change into electrical energy
- p. Consumption and losses (-)
- q. Use of final sources (3)
- r. of which: Industry
- s. Transportation (3)
- t. Consumer use
- u. Non-energy use
- v. (1) Assessed at conventional constant thermoelectric input of 2,200 Kcal per KWH.
- w. (2) Plus sign (+) indicates decrease in inventories, minus sign (-) indicates increase.
- x. (3) Includes international maritime bunkering (3.9 million TEP [petroleum equivalent tonnage] in 1981 and 4.1 million TEP in 1982).
- y. Source: Bankitalia extrapolation based on data contained in the "General Report on the Nation's Economic Situation," and in the Industry Ministry's "Energy Balance Sheet."

**Tabella 2 (a)**

**(b) CONSUMI FINALI DI ENERGIA PER SETTORI**

Settori (c)	(d) Variazioni percentuali (1)			(e) Compos. percentuale	
	'70-'73	'74-'79	'80-'82 (2)	'73	'82 (2)
Industria (f)	3,6	0,4	- 4,0	40,4	36,2
di cui: Metallurgica (g)	2,5	2,2	- 1,3	8,2	9,1
Alimentare (h)	4,2	2,7	- 0,7	2,3	2,5
Chimica (i)	5,4	- 4,1	- 9,5	10,5	6,6
Carta e affini (j)	- 1,0	- 1,5	- 4,7	1,9	1,6
Materiali da costruzione (k)	0,2	0,8	- 1,3	9,0	9,0
Meccanica e mezzi di trasporto (l)	10,9	- 1,6	- 4,9	4,4	3,6
Tessile e abbigliamento (m)	3,2	2,9	- 6,8	2,1	2,1
Altre industrie manifatturiere (n)	17,5	3,3	- 3,4	2,0	1,7
Trasporti (o)	4,8	2,0	0,2	22,0	24,6
Usi civili (domestici, ecc.) (p)	7,3	2,2	- 0,6	30,0	33,2
Usi non energetici (q)	7,3	2,1	- 1,7	7,6	6,0
<b>Totale (r)</b>	<b>5,2</b>	<b>1,1</b>	<b>- 1,8</b>	<b>100,0</b>	<b>100,0</b>

(1) Medie annue. (s)  
(2) Per i comparti dell'industria fino al 1981. (t)

Fonte: Elaborazione Bankitalia su dati contenuti nella Relazione generale sulla situazione economica del (u) paese e nel Bilancio energetico nazionale del ministero dell'Industria.

**Key:**

- a. Table 2
- b. End Use of Energy by Sectors
- c. Sectors
- d. Percentage variations (1)
- e. Percentage composition
- f. Industry
- g. of which: Metallurgy
- h. Foodstuffs
- i. Chemicals
- j. Paper and related products
- k. Building materials
- l. Mechanical industries and means of transportation
- m. Textiles and clothing
- n. Other manufacturing industries
- o. Transportation
- p. Consumer use (homes, etc.)
- q. Non-energy uses
- r. Total
- s. (1) Annual average
- t. (2) By industry sectors until 1981
- u. Source: Bankitalia extrapolation on data contained in the General Report on the Nation's Economic Situation and in Industry Ministry's National Energy Balance Sheet.

**Tabella 3 (a)**

**(b) CONSUMI SPECIFICI DI ENERGIA NELL'INDUSTRIA E NELL'ECONOMIA**

*(consumi finali/valore aggiunto in lire 1970: Kcal/lire)*

Rami (c)	'70	'73	'74	'75	'76	'77	'78	'79	'80	'81	'82 (1)
Metallurgico (d)	58,5	51,6	51,0	57,3	53,1	52,3	50,4	49,8	47,4	46,3	
Alimentare (e)	7,1	6,7	7,5	7,1	7,9	6,5	6,3	6,4	6,1	5,9	
Chimico (f)	54,7	50,3	46,6	41,4	39,6	40,7	31,8	28,6	25,6	22,3	
Carta e affini (g)	18,9	15,1	14,2	16,4	14,3	15,1	12,9	12,1	11,3	10,6	
Materiali da costruzione (h)	63,9	56,4	56,7	53,4	47,7	49,5	49,6	49,8	43,8	44,5	
Meccanica e mezzi di trasporto (i)	6,3	7,6	6,5	6,7	6,8	6,0	5,9	5,9	5,2	4,9	
Tessile e abbigliamento (j)	6,7	6,7	6,8	6,8	7,0	6,0	5,8	6,1	5,8	5,3	
Altre industrie manifatturiere (k)	5,1	6,7	7,3	6,5	6,8	5,3	6,4	5,9	5,9	5,4	
<b>Totale Industria (l)</b>	<b>19,9</b>	<b>18,9</b>	<b>18,5</b>	<b>18,2</b>	<b>17,3</b>	<b>16,8</b>	<b>15,8</b>	<b>15,3</b>	<b>14,0</b>	<b>13,4</b>	<b>12,8</b>
<b>Totale Economia (m)</b>	<b>14,8</b>	<b>15,3</b>	<b>14,5</b>	<b>14,4</b>	<b>14,4</b>	<b>13,9</b>	<b>13,8</b>	<b>13,5</b>	<b>12,8</b>	<b>12,4</b>	<b>12,2</b>

(1) Stime (n)  
Fonte: idem (o)

Key:

- a. Table 3
- b. Specific Energy Consumption in Industry and the Economy  
(End use/value added in 1970 lire: Kcal/lire)
- c. Branches
- d. Metallurgy
- e. Foodstuffs
- f. Chemistry
- g. Paper and related products
- h. Building materials
- i. Mechanical industry and means of transportation
- j. Textiles and clothing
- k. Other manufacturing industries
- l. Total for industry
- m. Total for economy
- n. (1) Estimated
- o. Source: as above

6034

CSO: 3528/162

## ECONOMIC, TECHNOLOGICAL ASPECTS OF TRADE WITH USSR

Zurich NEUE ZUERCHER ZEITUNG in German 7 Jul 83 p 9

[Unattributed article: "The German Trade With the USSR. Small Volume--SPECIAL QUALITY"]

[Text] Hm. Bonn, 5 July. With a volume of scarcely DM 21 billion, the German-Soviet trade ranks relatively far back in the German trade statistics for 1982; with Switzerland alone, a trade volume of almost DM 35 billion was transacted last year, in the course of which the German export surplus vis-a-vis Switzerland was almost as large as the exports of the FRG into the Soviet Union. But trade does not always equal trade, and the German foreign trade with the Soviet Union does indeed have its peculiarities.

## Strong Interests on Both Sides

The commodity exchange with the Soviet Union--as also with the remaining COMECON sphere--cannot be considered separately from the world economy. Under the imprint of the worldwide payment crisis, the reduction of the indebtedness to the West has for some years had priority over the covering of import requirements. In order to increase the foreign currency supply, Western exports were reduced as much as possible. Since mid-1981 credit balances in the commodity trade of the COMECON with the West are a matter of daily occurrence. Thus the net indebtedness of Eastern Europe to German banks could be reduced to DM 10.8 (preceding year DM 11.8) billion by the end of 1982. According to a statistic published in Bonn, the Soviet Union had the greatest success in this connection with respect to the reduction of debts; they fell from DM 4.9 billion (1976) to DM 2.5 billion (1982).

To the extent to which and as long as Moscow regards the West and the FRG as a source of foreign exchange, the West's trade with the East, of course, cannot develop very well. This, to be sure, does not fully apply in the case of the Soviet Union, since the Kremlin, with its supplies of natural gas and oil, has an independent source of foreign exchange at its disposal. For this reason the German-Soviet trade during the past few years was subjected to hardly any restrictions. Thus the German exports during the past year grew to DM 9.4 (7.6) billion, but as before remained clearly below the imports from the Soviet Union of DM 11.4 (9.2) billion. Against the background of a generally subsiding trade with the East, the German economy, however, is interested

in a further increase of exports to the USSR, especially since approximately 100,000 jobs depend on trade with the Soviet Union alone.

#### Moscow's Foreign Exchange Troubles. . .

The dependence, of course, goes in both directions. For Moscow is dependent on its energy exports in order to purchase the necessary Western technology for its further industrialization with the foreign exchange earned in this manner. The high energy share makes Moscow dependent on the energy price fluctuations in the West. The German Institute for Economic Research has calculated that each dollar less with respect to the barrel price for oil depresses the foreign exchange revenues of the Soviet Union by \$750 million. It is not surprising, therefore, that the Soviet Union would like to sell still more natural gas to the West. In the presence of the current price and surplus conditions, however, even the natural gas volumes contracted for thus far can hardly be sold anymore. Evidently, people in Moscow are already concerned about German customer and contractual fidelity.

According to the way things are being read in Bonn, the Soviets in any case--for reasons of financial self-interest alone--are suppliers who will abide by their contracts. For this reason, Bonn has attempted to dispel doubts about a one-sided energy dependence of the FRG on the Soviet Union, as they were presented perhaps in connection with the most recent pipe[line] and natural gas deal by the American side, well in advance of Kohl's Moscow trip. Concretely an unofficial study of the government states with respect to this point that the frequently asserted supply possibilities for natural gas from Norway, the Netherlands and Great Britain do not exist. Logically, then, Bonn does not exclude larger cooperation projects, for instance in regard to the liquefaction of coal, in the future.

#### . . . and Technology Requirements

For this, however, the planner in the Kremlin are dependent on access to highly-developed Western technology. Products of machine building, therefore, constitute traditionally the emphasis of German deliveries to the East bloc. With a share of 3.1 percent of the total machinery export, the Soviet Union in 1981 was the ninth most important sales market for the Germans. With respect to machine tools and mining machines, the Soviet Union is even the main purchaser.

The American government, therefore, arrives at the conclusion that the Soviet Union has the largest supplier of advanced Western technology in the FRG (Angela E. Stent, "Technology Transfer to the Soviet Union", ARBEITSPAPIERE ZUR INTERNATIONALEN POLITIK, 24, published by the Forschungsinstitut der Deutschen Gesellschaft für auswärtige Politik, Bonn, 1983). Thus in 1980, according to American calculations, 31.5 percent of Soviet imports of high technology came from Germany. The second-largest supplier of such goods is Japan with a share of 17 percent in this statistic.

Whenever--mostly at American instigation--a revision of the so-called Cocom list is up for discussion, the FRG feels itself exposed to ridicule. At the

same time, the people in Bonn are quite prepared to admit that not every micro-processor is harmless. Federal Chancellor Kohl stated clearly with respect to this that the trade with the East must not take place at the expense of the security interests of the West and the FRG will not export militarily relevant commodities to Moscow. To the extent to which questions of military security are involved, Bonn is prepared to revise the Cocom list. What repeatedly annoyed the German side, however, was the attempt by Washington to mix security policy and trade policy questions (sanctions). Within the system of coordinates of the German free trade philosophy there is no room for this.

#### Absence of Large-Scale Projects Which Are Ripe for Discussion

Even if Bonn is interested in the intensification of German-Soviet trade relations and, on the basis of the prevailing development, would also be in a position for such intensification, there is a lack of concrete projects at the present time. To be sure, for almost 10 years the development of the brown coal deposits in the Siberian Kansk-Achinsk haunts the press with fair regularity. This involves proven reserves of 110 billion tons, with further geological reserves of 400 billion tons; 100 million tons alone could be produced by means of inexpensive strip-mining. Reaching for these energy reserves, however, is profitable only if the coal could be liquefied on the spot. For this Moscow would need German know-how--given the state of current development. Of course, neither in Bonn nor in German industry is anyone willing to talk about imminent orders billion amounts with two digits. Only the Mannesmann Combine has recently received a contract from the Soviet government to undertake a study for a pilot installation. What is involved here is a relatively small experimental installation, which is even regarded as superfluous by German experts, since the technology to be employed is essentially known. The large "order chunks", however, could at the earliest be included in the next five-year-plan--and even then German industry can by far not be certain of getting the orders worth billions.

#### No Change Through Trade?

Whoever is involved in the government in Germany places great value on the stabilizing factor of East-West trade. It is in this sense that the efforts by Bonn to maintain good trade relations with Moscow must also be seen from the standpoint of security policy. And behind the latest credit of billions to the GDR there are, without a doubt, superordinated political considerations. The use of trade relations for political purposes, to be sure, then stands in contradiction to the endeavor--it expresses itself primarily in opposition to the American efforts with respect to sanctions--to draw a clear distinction between trade and politics and to separate the two. This desire, is above all, presented by the industrialist world in the most diverse nuances, and here in particular by Otto Wolff von Amerongen, the president of the Federation of Chambers of German Industry and Commerce. For Wolff trade was never strong enough to achieve in the East the political change which some politicians had hoped for at the beginning of the 1970's. Whether the conclusion from this sentence though shall be that trade with the East bloc should not be subject to any political restrictions anymore is likely not to be entirely without controversy in the Western alliance.

## FINANCE MINISTRY TO CONTINUE TIGHT MONEY POLICY

Helsinki HELSINGIN SANOMAT in Finnish 18 Jun 83 p 23

[Article: "Finance Ministry Recommends Tight Line for Coming Years: Resisting Inflation Main Goal of Economic Policy"]

[Text] Resisting inflation is the number-one goal of economic policy for the coming year, the Finance Ministry emphasizes in its review. If the present course is followed with the same rate of inflation, there will be about 230,000 unemployed five years from now. On the other hand, if the "active" model recommended by the ministry is followed, the level of unemployment need not be more than 170,000 or 6.5 percent.

The Finance Ministry's review of economic prospects for the next five years lists the following as the central problems of the Finnish national economy: sensitivity to inflation, unemployment, and the adapting of the national economy to the development of the overall economy.

The ministry's mid-range review has up to now been published as a supplement to the budget. Now, however, the ministry wants to publish its review earlier to encourage debate already before next year's budget decisions.

Although the review is not a detailed statement on next year's budget, a clear framework for growth of the national economy is contained in it. The state of the national economy will remain tight, even if the rate of growth of the national economy succeeds in increasing, the ministry observes. In order to break the cycle of deficits, it is absolutely necessary to reduce the total money requirements of the budget.

With a tight expenditure policy, the increase in total tax level can be kept to about one percentage point.

Cutting just expenditures in the national economy will not be enough, however; it is also necessary to reduce the expenditures that entitle municipalities to share state funds.

The Finance Ministry's review presents two lines of development for the national economy, an active one and a passive one, of which the former is recommended by the ministry.

"The goal has been to find a path of development that would guarantee the highest possible employment at the same time as the rate of growth of the national debt is slowed," said general manager Pertti Sorsa in presenting the review.

According to the goals calculated by the ministry, it should be possible to increase employment by almost 100,000 positions by 1988.

Total production would increase a full three percent annually, which is more than the average of the OECD [Organization for Economic Cooperation and Development] countries in the same period.

The national debt as a share of the gross national product would rise by about two percentage points to 16-17 percent.

If the present "passive" line is continued, unemployment would rise to 230,000 and production would at most stay at the present level.

Unemployment seems to be increasing more as inflation is higher. Now it is imperative to slow inflation to the same level at first and then to 1-2 percentage points below that of competing countries.

Among its alternative goals, the ministry has considered it most important to get at the causes of structural inflation. Some of these were listed by Sorsa as: inflexibility of product structure, restrictions on competition, various regulatory activities, and indexing [of wages].

According to the Finance Ministry, the following things are needed: less friction in changing the employment structure, increased mobility of labor and capital, elimination of restrictions on competition and increasing genuine competition, and reducing unnecessary regulation.

It is especially necessary to correct the structure of finances in the forest industry, Sorsa noted. High indebtedness means sensitivity to devaluation and in that way a pressure toward inflation.

Sorsa also emphasized the responsibility of the financial institutions. According to him, the banks have been financing investments based on too low a level of self-financing.

The Finance Ministry has set a goal of five percent annually for growth of exports. In order to achieve that growth, the competitive ability of the national economy must be raised.

If it is supposed that the average international inflation rate will be six percent, then according to the Finance Ministry this would mean that wage increases in labor contracts should be limited to at most three percent, sliding down to two percent. Freedom of movement in wage policy is even more restricted than that, however, to the extent that international inflation stays lower.

Finance Minister Ahti Pekkala did not want to take a stand in the meeting where the review was presented on whether a wage policy in this direction would be at all possible.

"One must suppose that the organizations in the labor market would show some interest in controlling inflation," he observed.

Pekkala said he hoped that the goals in the Finance Ministry's program will receive support among all segments of social and economic politics. Government actions alone will not be sufficient to guarantee favorable development of production and employment.

#### Expenditures Must Be Cut Back With a Heavy Hand

The Finance Ministry's review assumes an exceptionally tight expenditure policy on the part of the government. According to the ministry, expenditures already known will have to be reduced and plans already made will have to be cut back.

#### Key Figures in Finance Ministry's Goals

	Annual growth rate %
	1983-1988
GNP	3.25
Import	4.00
Export	5.25
Consumption	2.00
Total demand	3.50
	Goal for 1988
Unemployment	6.5
Net foreign debt (percent of GNP)	13.0
National debt (percent of GNP)	16.5
Total tax level	37.5

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CSO: 3617/145

## DECLINE REGISTERED IN UNEMPLOYMENT FIGURES

Helsinki HELSINGIN SANOMAT in Finnish 18 Jun 83 p 23

[Article by Kristiina Ritvos: "Number of Unemployed Dropped Beautifully in May: Improvement Is Still Hardly Permanent"]

[Text] The month of May dropped no less than 20,000 unemployed from the registers. This was again a better-than-expected performance, and the level of unemployment dropped to 5 percent.

There were 122,400 unemployed in May, and for the first time now we have approached the level of last year. Throughout the first part of this year unemployment has been higher than a year ago.

But it would be exceptional if unemployment were to improve permanently as if in step with production. Generally unemployment starts to look good half a year behind production, and April is the first month with an increase in production.

But it is true that economic improvement in unemployment is shown by a pretty decline in May in the number of persons laid off. Their number dropped by 6,500 to 9,200. At the same time, the number working shortened work weeks declined.

## Spring Beautifies

Improvement in construction, agriculture, and forestry is due to the spring season. It has been accelerated by spring's early arrival.

However, permanent increases would require an increase in employment opportunities. This has not yet happened, if we compare last May. The number of available positions has increased since April, on the other hand.

The employment index of the HELSINGIN SANOMAT did jump up in May, but seasonal adjustment erases most of the beautiful actual increase.

Another point that is in conflict with an improvement in economic unemployment is the fact that unemployment has risen most clearly in the Rovaniemi district. Permanent improvement in unemployment has generally started in the south and spread gradually to the east and north.

Unemployment lines have of course shortened in the Helsinki area as well, but relatively less. Unemployed persons here total less than two percent of the work force. The situation is best in communities bordering on the capital city.

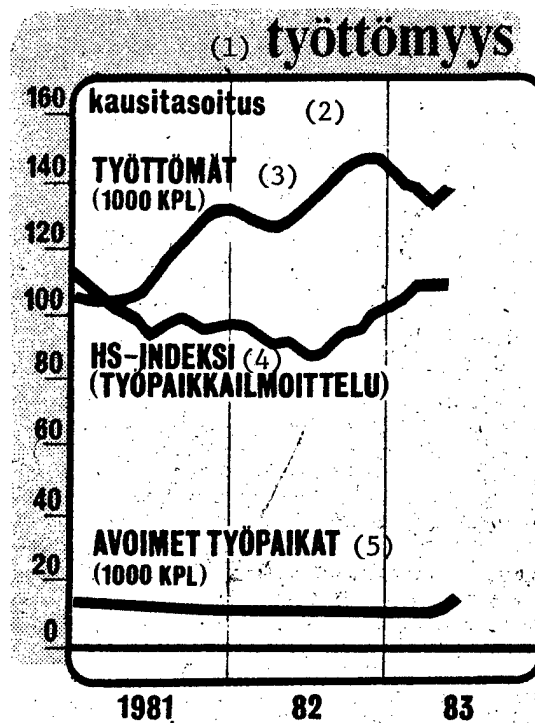
The ten-percent unemployment figure is still surpassed in Rovaniemi and Kajaani, but elsewhere we are already in single digits. Even gloomy Tampere is still showing fully 6 percent unemployment.

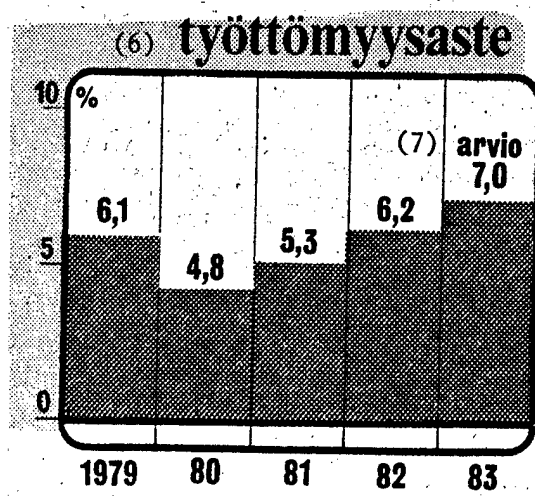
#### Youth Unemployment the Same

Unemployment among the youth seems to be staying alongside other developments, in other words it looks better whenever overall unemployment does. There were just under 33,000 of these under-25 unemployed in May.

The same cannot be said about long-term unemployment. The number recorded in their category seems to be stuck at just under 17,000.

The number of long-term unemployed is actually increasing all the time, since unemployed retired people should perhaps be also included. Their number has grown continually, and in May it was 29,000.





Key:

1. Unemployment
2. Seasonal adjustment
3. Unemployed (thousands)
4. HELSINGIN-SANOMAT Index (unemployment want ads)
5. Open positions (thousands)
6. Unemployment level
7. Estimate

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CSO: 3617/145

## POST-ELECTION PROSPECTS FOR INFLATION, BUDGET, UNEMPLOYMENT

Rome L'ESPRESSO in Italian 26 Jun 83 pp 6-11

[Article by Salvatore Gatti]

[Text] What to do about the economy, once the results are in from tomorrow's elections? Do we cut wages across the board? Or do we put the brakes on government spending? Do we impose a property tax? Or do we cut back on medical care? Andreatta, Colajanni, Formica, La Malfa, and Malagodi offer disparate prescriptions.

"Italian society must restore the rule of reason, and it must itself be the attending physician to its own recovery. Should it fail, it will continue to suffer the squandering of its resources, inequity in the redistribution of its wealth, and the loss of its place in the international community." Uttered at the height of the election campaign, that dire warning from the governor of the Bank of Italy went unanswered, partly because it was accompanied by something very like a political platform: a series of specific measures bearing on inflation, government spending, and wages. A tough platform, but not wholly unjustified. Inflation has in fact got out of hand again and shot back up to 16 percent. There was still some illusory aura of recovery, but last week brought three announcements that hit home like rifle-shots: the budget deficit this year will top 90 billion lire; industrial production dropped by 14 percent as of April; more than 3 million Italians are out of work, and fears that 1983 will indeed be the year of the crash have spread fast. "What has been missing in Italy," said Ciampi, "is any real determination to deal with these perils, but what we need now is a clear readiness to bite the bullet."

It was to find this, to understand what kind of demonstration of will is needed and if there is any political will to make one that ESPRESSO, a few days before the election, set up a forum on the options in economic policy that will be open to the victors when the votes are counted. We invited economists like Mario Monti and Luigi Spaventa along with party spokesmen like Nino Andreatta,

Napoleone Colajanni, Rino Formica, Giorgio La Malfa, and Giovanni Malagodi. Out of this exchange emerged a memorandum compounded of dissent and consensus which should be helpful to whoever wins the elections and perhaps to those who lose. Here it is, point by point.

### The Battle Against Inflation

Inflation is everybody's sworn enemy. The weapons the several combatants choose to fight it with, though, are disparate indeed. So is the pace at which they would fight the battle. "There is no question but that we must move at once, and move drastically," Nino Andreatta proclaims. And in fact the DC's program is a crash program: it allows one single year of heroic measures to bring inflation down from 16 to 8 percent. "This way, we shall be narrowing the inflation differential between Italy and other countries (Great Britain's rate stands at 4 percent, the United States' and Germany's at 3, and Japan's at 2 percent), and we can head off a situation that may well lead us, if we do not intervene drastically, right back to 12 percent inflation again within 3 years." What does the Andreatta treatment call for? A year-long freeze on the COLA and some tinkering with the exchange rate of the lire. With what results? A decline in the cost of labor, a sharp drop in interest rates, and hence lower debt service costs, a shrinkage in demand which would, however, affect imported goods primarily, and improved competitive standing which would boost Italian products on foreign markets.

That is a "horse-doctor's prescription" that finds few supporters. "If they really think they can get that kind of results in a single year with one-way austerity aimed at a single area of the country, let them govern by themselves," says former Finance Minister Rino Formica, a socialist, and he adds: "Freezing the COLA might be marginally effective in curbing inflation without painful social costs, if it were accompanied by a freeze on prices and on exchange rates. This is, in fact, what Mitterrand proposed. But it calls for a political picture the very opposite of the one the New Right wants to see. If, on the other hand, they consider putting a freeze on the COLA alone, then we can predict either of two scenarios. First: the ploy will fail because the workers will manage to get their act together for a fight to win back what has been taken from them, with the result that labor relations and productivity alike will suffer. Second: the maneuver will succeed because the workers are weak as a result of the recession; in this case, they stand to lose between 5 and 10 percent of their real wages, the national revenue will drop by 5 percent, and industrial production will fall by 6 or 7 points. And besides that, some 500,000 to 700,000 jobs will be lost." Here Colajanni upped the ante: "The DC's plan to wipe out or at least narrow the inflationary gap between Italy and the other countries is unworkable. And were it to succeed, it would destroy not only jobs but the very fabric of our industry and would bring on the collapse of capital accumulation, precisely as it did in 1964, which is the very antithesis of what it seeks to do."

A prescription for crash therapy -- differing from the DC's but crash therapy nonetheless -- came from La Malfa. "We must force the nation and its thousand lobbies and corporations to behave in ways consonant with the goal of stabilization. We must get inflation down to 8 percent in 3 years. How? By putting a quick stop to the growth of the money supply. Right now, in this early portion of 1983, the monetary base has swollen by 16.5 percent over what it was in the same period of last year. But if we can trim the growth of the monetary base by 2.5 points per year, within 3 years we can have inflation back down to 7 or 8 percent." There you have a treatment clearly and calmly explained, but it is also exceeding tough: indiscriminate expansion of the monetary base is the time-honored dodge for giving every corporation in the country apparent wealth which the country does not in fact produce; cutting the money supply means putting the squeeze on a thousand power centers and loan screening that will raise a concerted howl of pain and protest. It is, however, a treatment spread out over a lot more time (3 years) than that proposed by the DC (a year of tears and blood) and not so vindictive.

"Getting a handle on inflation is going to take more time," argues Malagodi. "And yet it is vital that we start right now to move in that direction for all to see, thereby puncturing the expectation of inflation which merely generates more inflation. We must also seek to avoid too emphatic a conflict between restrictive policies and stimuli to economic recovery.. This is precisely what is missing from the DC plan, which sees recovery coming along almost automatically in a market restored to health and vigor by savage wage cuts. "What we ought to do rather is to aim at a social compact, with commitments to investment in exchange for moderation in wage demands, which could further the incomes policy accepted in the Scotti agreement of 22 January," explains Formica. It is perhaps not so strange, after all, that Scotti is better liked by the Socialists than by Ciriaco De Mita and Giovanni Gorla. Scotti's is a soft line against inflation, which is in no way to the liking of the more rabid advocates of austerity.

#### The Long Silences of the DC

A prescription for controlling inflation, even a 3-year one as suggested by La Malfa, is going to hurt, long or short. And the choice must be made now. "Fine," Gorla puts in, "but the problems crop up when you try to move from a leisurely photograph of the situation to an x-ray that tells us what is causing the disease." "We cannot be content with taking steps to cushion the effects of inflation: we have to attack its causes," adds Colajanni; "one of the shortcomings in Andreatta's crash therapy is that it provides for no changes in the economic structure. Just put on the brakes. That's all: but the wretched inflation differential between Italy and the other countries, the thing that is hamstringing our economy, is the inevitable fruit of the basic skewing of our economic system. And its roots lie in the policy choices we

have made: from an increase in consumption that is not based on an equivalent expansion in production but on pure and simple creation of social shock-absorbers (very frequently sops to special interest groups), all of which are dumped onto the national budget where they generate the gigantic deficit." It is this deficit, this monster of government spending, which, according to Colajanni and Formica, but even to La Malfa, the DC refuses to talk about seriously, even now. "Wage restraint is certainly possible, warns Formica, "but only in exchange for a program of equity that will truly hit all those corporations that batten on special favors under the shelter of grossly swollen public spending."

### The Monster: Government Spending

"In 10 years, it has risen from 30 to 56 percent of the gross internal product," La Malfa sums up. "And the quality of that spending could not be worse, another thing that separates us from the DC." That means we have to limit the quantity of spending, but also that we must apply strict standards in deciding where to spend money. That will be one of the first post-election measures, since everybody concerned seems to agree on its urgency. Ciampi called for a beginning of serious compliance with Article 81 of the constitution, which requires that all spending legislation contain provisions for funding. That will be done. By law. "All current expenditures will be covered by current revenues," Andreatta pledged, and thereby won unaccustomed but broad support. Already in agreement with him, in fact, are Colajanni and La Malfa, the Communists and the Republicans. And the PSI goes on record as willing to hold public spending beneath the planned inflationary ceiling. "Nothing like this at all happened during the 2 years while Andreatta was Treasury Minister," charges Formica: "during that period the budget deficit swelled from 37 trillion to 72 trillion lire, notwithstanding the fact that revenues over that same period rose by 23 percent per year. The fact is that expenditures have increased, each year, by 24 percent for personnel, by 26 percent for social services, by 30 percent for interest, and by 26 percent for other current expenditures."

While the amount of spending will be limited, it will be much harder to do anything about the mechanisms that fuel it: phony disability pensions, local government expenditures, funding for public and private enterprise, not to mention the suppurating lesion of health care. "It's the DC that has steadily refused to cut spending," Formica insists; "when the PLI, the PSI, and even the PCI all tried, the DC just ducked out." Where, though, and how can government spending be cut after the elections, if the "new DC" goes along? Let's look at that, point by point.

#### 1. Genuine and Phony Pensions

"We have to review all disability pensions. In Italy we are paying 5 million, and in Germany only 500,000 are drawing disability pensions: that gives some idea of the dimensions of the mess. How to review them? Simple: set up medical commissions to examine every

individual drawing a disability pension," is Giorgio La Malfa's fairly drastic suggestion. "Furthermore," adds Andreatta, we have to see to it that the real value of old-age pensions does not rise faster than inflation, which is what is happening right now." "And the farmers -- those coddled pets of the DC -- who were the ones that put INPS in the hole in the first place, must be made to pay their share," added La Malfa, Colajanni, and Formica in unison.

## 2. The Plague-Ridden Health System

This is the latest disaster in recent years, with its current deficit standing at 30 trillion lire. "Public assistance will have to be confined to medical costs in excess of 1 or 2 percent of patient income," ventures Andreatta. That is pretty much the idea the Liberals espouse with their argument that public assistance be provided only for catastrophic illness and for the few really basic needs. "There is still an even more radical step to be taken, though, La Malfa maintains: "The USLs [expansion unknown] are completely out of hand, spending whatever they like because they know the government will pay whatever is says on the bottom line; this simply encourages laxness and irresponsibility on the part of management." And he suggests: "We ought to bring them under the control of some local agency, say the Region, which will have to make up their deficits out of its own revenues, levying taxes, if need be, on its own citizens who use the USLs. That will motivate citizens to think twice about using the service, and the USLs themselves to tighten up their administrative procedures."

## 3. Funds for Public and Private Enterprise

State-owned businesses are 60 trillion lire in debt, and in 1982 alone they reported losses of 5 trillion. They are a bottomless pit. State Participation companies must be allowed to fail, if they haven't already done so; they must be bailed out only after they get approval for real recovery plans, or when they open up to collaboration with the private sector," argues La Malfa. That is the Liberals' idea, too, when they call for heroic therapy and for letting companies go under where that would be the soundest course. Andreatta rather leans that way, too. The Socialists, though, and especially their State Participations Minister Gianni Di Michelis, are pushing for a softer approach.

## Shall We Renegotiate the COLAs?

"Any all-out treatment for inflation calls for immediate action on cost of living increases, granting them once a year or keeping it quarterly, but in any case capping the points of increase," says Andreatta, driving home his view. It is a somewhat more draconian measure than the approach advocated by Treasury Minister Gorla, who suggested removing oil price increases and the dollar exchange rate from the COLA triggering calculations. This is a line La Malfa can go along with, in the moderate version which calls for pre-setting the COLA-increase trigger-points. On the Left, though, there is total

darkness. If Colajanni is against it, Formica is no less so: "The right line is the incomes policy Scotti introduced on 22 January: forget about heroic treatments: what we need is a labor-management consensus."

Property Tax: To Be or Not To Be?

With the elections behind us, government policy will have two tough knots to undo: the unheard-of property tax and banking secrecy. "No property tax," thunders Formica. "If anything, make it a mix of several approaches, like the tax on Treasury bills held by the banks and corporations, or taxes on financial gains." This sounds very much like the surtax on "large fortunes" the PCI is pushing. But what the DC is actually proposing is a mini-tax on property. "I am unalterably opposed to the property tax," La Malfa puts in: "All it would do would be to use taxes to plug a hole in the public debt, which would mean smaller cuts in spending, whereas cutting spending is the one thing we must do." "The real fight after the elections," says Formica, "will be the crackdown on large-scale tax evaders. And we shall have to find some way through or around or under the veil of banking secrecy. And on this score, I don't know whether or not the 'new DC' will go along."

Employment: None in Sight

Andreatta figures that his heroic treatment will provide more jobs: jobs for 300,000 people by 1988. Formica is convinced that the Carli-Andreatta plan will throw 700,000 people out of work, and he calls for job-placement agencies to deal with them. Others look hopefully at the possibilities of part-time employment. All of them, however, have as little as possible to say about employment, partly out of modesty, but mainly because they are certain that nothing can be done about it.

After Fanfani, All Is Darkness

In short, we have three approaches. One is the Republican's conventional argument for tightening the money supply, making massive cuts in spending, and offsetting spending with a selective industrial policy and a moderate wage policy. Another is Andreatta's head-on attack on wage levels, to bring inflation down fast. The third one is soft, selective, driven by concern for what the PSI perceives as the country's fragility, aims at a new social contract (in part), and the Liberals like it, too. They squared off back on the evening of 27 June. /Formica has no misgivings: "If the DC wants its collision therapy at all costs, it can go for it without us."/ But, on the other side, La Malfa is equally immune to nagging doubts as to his opposing stand: "If the PSI falls for the old Mitterrand line, rather than the tough Delors line, and if the DC patches things up with the PSI, the next government cannot count on us," says Malagodi. /The wind that seems to be

blowing over the post-election period even now, before we know the outcome, is not a wind that bodes any degree of stability./ Some of the anti-inflationary measures discussed at the ESPRESSO forum will unquestionably be implemented, but there is no guarantee at all that they will be the more drastic ones. /"It is by no means certain," Formica observes, "that the voters will not be summoned to the polls again within a very short time, and that would be an unmitigated disaster./ But, since the nation needs stability if it is to be governed, we shall have to change the election procedures. We must do it in such a way that, next time around, we have real assurances that the country can indeed be governed." In short, it is difficult to like the look of the immediate future.

6182

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## GORIA'S CRY OF ALARM OVER STATE OF ECONOMY

'Government, Right Now'

Rome LA REPUBBLICA in Italian 1 Jul 83 p 1

[Article by Giorgio Battistini]

[Excerpts] Cabinet's first meeting finds budget deficit for the first 6 months within the forecast. Treasury Minister Giovanni Goria is acutely alarmed at the prospect of a summer with no government. Italy's economic shape, he makes clear, cannot afford it. In the absence of a specific leader with clearly spelled-out commitments to restoring the nation's economic health, government spending will continue to rise, and as early as September the situation could be "uncontrollable." Goria voiced his alarm yesterday morning, at the close of a short session at Palazzo Chigi (the first since the election returns were in) devoted to minor measures and approval of the 1983 budget adjustment and independent corporations bill.

Gorio's statement was the first serious reminder of the nation's economic plight in the aftermath of the homeric binge of figures, spurts of enthusiasm, and disappointments that marked the outcome of the election carnival. After the tectonic shift in the balance of party power, politics has sat down to the sobering task of reading the numbers. "In the first half of 1983," said Goria, "we stayed within the confines of the spending forecasts in the finance act: this means that we swung away from a possible requirement of 102trillion lire to the estimated level of 71trillion. In the second half of the year, we shall see some seasonal spending profiles emerging which may be defined as ordinary -- as depending, for example, on the COLA and on implementation of labor contracts. We ought to be aware, too, that because of the early elections the government has been unable to gather the indicators needed to contain the growth of spending. In any case, we can say that the behavior of the economy in this portion of the year has been consonant with our best traditions."

Goria had more to say, though: "I believe that this relatively uneventful and predictable trend will hold through the next few weeks. Come September, anything can happen, in the sense that there may be a recurrence of decline in response to external factors, or the very opposite in response to internal causes. Government spending therefore cannot be allowed to get out of control." There is only one conclusion to be drawn from that: "We must act swiftly to form a government. That is the truly urgent need, and I say this not just as treasury minister, but as a citizen. We have to get matters back under control, and we have to do it fast. We must move now to keep the deficit from reaching 89 trillion." That figure may indeed well be topped, because the Social Security system (INPS) already needs 3 trillion more. The Fanfani government had outlined some steps to be taken, and the Treasury Minister thinks they ought to be looked over so see if they are still appropriate or whether it would be wiser to review other options.

The brief cabinet meeting's agenda consisted primarily of approving the general report on government administration for 1982. Here are some of the figures: revenues came to 150,130 billion; spending commitments to 208,817 billion -- which leaves an uncovered net deficit of 58,687 billion for which financing must be found somewhere. As for the cash-flow picture, and excluding all loan operations, the bottom line for fiscal 1982 showed collections of 151,301 billion lire and outlays due and payable in the amount of 207,072 billion, which works out to a deficit of 55,771 billion. As of the close of fiscal 1982, funds on hand amounted to 26,825 billion, of which 20,816 billion were tax revenues and 5,955 billion were non-tax revenues. Deficits came to 64,733 billion, of which 38,780 were current, 35,934 billion were capital sums, and 59 billion were loan repayments. This represents an increase of 10,027 billion over the anticipated deficit.

The government also approved the budget forecast for fiscal 1983. According to Post and Telecommunications Minister Remo Gaspari, "this is precisely within the limits laid down in the finance act for the first half of the current year, with budgeted expenditures of 36,000 billion. We must try to keep within the bounds of the forecast, and in any case not to exceed the budgeted limit of 40,000 billion lire for the second half of this year."

#### 'Austerity Can't Wait'

Rome LA REPUBBLICA in Italian 2 Jul 83 p 2

[Interview with Treasury Minister Giuseppe Goria, by Maurizio Ricci]

[Text] According to the Treasury Minister, fast action is a must, because by autumn it will be too late. "At this point, we ought to sit down around the table and review our

goals. Then we must reach agreement as to the tools we shall use to achieve them"

As of right now, 14 trillion lire must be cut from the budget deficit if it is not to hit 90 trillion by the time the year is out. According to Treasury Minister Gorla, there isn't really any need to invent anything: it would be quite adequate to apply the measures already called for under the Fanfani government. Or others can be found: the important thing is not to tamper with the scale of intervention. This should be the object of an initial check on the economy on the part of the political parties, running in parallel with the drafting of the 1984 budget. Meanwhile, domestic demand must be contained. If any of this fails to materialize, the outlook for this autumn is bleak indeed. Whatever action is taken, though, must be taken fast, within the next couple of weeks; any later than that and so critical a variable as government spending will be out of control for good.

[Question] All this emphasis on the need for speed, Mr Minister, suggests that you haven't much confidence that the new government will be put together anytime soon.

[Answer] It's not up to me to worry about such matters. But it is up to me, as Treasury Minister, to warn people of the danger of wasting time.

[Question] During the first half year, government requirements have stayed below the ceiling, without compromising the objective of holding it below 71 trillion for all of 1983. Considering the usual pattern and the elections, this is something of a surprise.

[Answer] It is the result of decisions made last December. As for the rest, in terms of money, we have tried not to make the country pay more than necessary for the elections.

[Question] And yet you fear that in the second half-year all the ceilings may have blown sky-high, and that we will be looking at an annual deficit of 90 trillion lire.

[Answer] To be precise, 89,300 billion. The second half-year is traditionally hardest on the treasury. Furthermore, over the next few months there will be additional expenditures for the civil service, and for the COLA and for labor contracts, for instance.

[Question] But those are all budgeted expenditures.

[Answer] Of course. And the measures to deal with them were all written into the budget bill. That's why I'm saying that we must invoke those measures now, and do it fast, because the second half-year started yesterday.

[Question] What are these measures?

[Answer] Cutting back on welfare spending, transferring government agency funds from the banks to the Treasury, increasing the value added tax, a bill of indemnity for the cities, and a one-shot, proportional tax. When you put the savings and new revenues together, you get 14,100 billion lire to reduce the deficit. Actually, that is not enough to get it down to the 71,000 billion we had reckoned on last March. There has been additional growth of some 2 trillion lire in the INPS deficit, and about a trillion more in expenditures on the election, the aluminum plan, and drought relief which will still be without funding. But if at year's end, we have pushed through the deficit ceiling by only that three trillion, I don't believe, given the overall behavior of the economy, that it would be grounds for serious concern.

#### Abiding by the Estimates

[Question] Even so, it's not going to be easy to squeeze out 14 trillion. Among the ways you suggest for doing it there are several that are highly controversial, including non-payment for the first day of illness, and others like the one-shot tax levy, which Finance Minister Francisco Forte seems to view as probably unnecessary in view of the revenue picture.

[Answer] Arguments over ways and means are not the most important ones. What counts is that I see no indication whatever that an additional tax levy of 1.9 trillion is no longer just as necessary as the one-shot tax. We have already reached agreement with the Finance Ministry that tax revenues in the first half year have been in line with the estimates, not higher. And therefore there is no room for any down-shift in second-half revenue collections. In a nutshell, the notion that natural revenue growth can replace additional intervention is a non-existent hypothesis.

[Question] That's a very clear position. And yet you just said that wrangling over ways and means is not important.

[Answer] Because the problem is not whether or not to levy the one-shot tax. The main problem is whether or not we are going to get 1.9 trillion lire more in revenues. It is a question of goals, far more than ways to reach them. If you want to change the goals, such as that of holding the deficit below 71 trillion, you've got to come right out and say so clearly. If that is still the goal, and in my view it must be, then we can talk about ways and means.

[Question] Well, then, what do you propose for getting quick decisions on government finances?

[Answer] In a serious country, with a correspondingly serious political class, we ought to be sitting down around the table and taking another hard look at the 71-trillion target, checking again

to see how high the deficit would go if we kept hands off it, and deciding what measures to take and how far they should go. As I see it, we ought to pursue an approach that would accentuate convergence rather than disagreement. Hence, the first thing to do is to agree on where we want Italy to go. And on that score, I believe, we are all in agreement. Then we must decide what conditions are necessary to get there. And here again, if there is intellectual honesty, it should not be hard to reach a meeting of the minds. At this point, agreement as to ways and means would be a whole lot easier.

#### A Crucial Problem

[Question] If all this doesn't happen, with the parties divided and government finances completely out of control, what could happen in September? Do you fear something in particular?

[Answer] My fears go clear across the board. If recourse to the money market were to exceed what is necessitated by orderly growth in government spending, considering the more dynamic behavior of the economy that goes with a recovery, there would probably be tensions in all directions and the government would be forced to step in to control the rate markets, if only to stave off repercussions on the currency.

[Question] So you'd have still another squeeze. Many people in industry, however, expect a recovery in the fall, fueled by renewed domestic and foreign demand. How ought the new government to react to this?

[Answer] Foreign demand generates a healthy recovery, while domestic demand yields a tainted recovery because it would worsen the balance of payments. In fact, we already have the tools in hand to contain domestic demand (for instance -- but, I repeat, the tools don't count -- increasing the VAT and the surtax). If we slacken the reins, we shall miss the great opportunity of September, when we should have a favorable moment from the point of view of inflation, along with a return to competitive positions on the foreign markets for our industry, which can resume exporting. Any future government will have to do some hard thinking about this problem.

[Question] There are those who are thinking about drastic action again, like wage and price freezes.

[Answer] That is quite a different matter, and one that can be dealt with later on -- although by that I mean months from now. A freeze might help, or it might not. Here again, the problem is to make quite sure you've got your goals clearly in sight. And by goal I mean, of course, something more tangible than "peace, growth, liberty."

[Question] You've touched off quite a lot of fireworks in recent weeks with your insistence on reopening negotiations on the January cost of labor agreement: your position is different from that of your party and cabinet partner, Labor and Social Security Minister Vincenzo Scotti.

[Answer] I trust that these heated reactions can be attributed in large part to campaign nerves. I shall simply say that since last January, the landscape around us has changed. And it seems to me only prudent for a band of travelers, when they see that the view around them is changing, to stop and make sure that they are on the right road. I do not underestimate the risks of such a halt to reconnoiter, nor do I anticipate solutions that would heighten labor-management tensions.

[Question] Mr Minister, within 3 months we're going to have to pass a new finance bill. You must have calculated the probable deficit for 1984. What will it be?

[Answer] In the matter of public finance, all the attention is still focused on the estimates, while the problem is one of decisions. The deficit will be what we want it to be. I can tell you what, in my view, it ought to be: in purely nominal terms, it should be just about the 17 trillion we had in 1983.

[Answer] Then, in real terms, not counting inflation, less than in 1983.

[Answer] In real terms, we're going to have to tighten our belts another notch.

6182

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## EEC CONDITIONS HAVE IMPACT ON CATALAN AGRICULTURE, HUSBANDRY

Barcelona AVUI in Catalan 27 May 83 pp 1, 13

[Article by Joan Nogues]

[Text] Brussels--The terms imposed on the Spanish State by the initial agricultural document that the EEC has prepared for negotiations, making references to most products, require a transitional period State by the initial agricultural document that the EEC has prepared for negotiations, making references to most products, require a transitional period of 10 years and a series of hard price terms on products or on the consumers of the Peninsula. These terms especially affect Catalonia in the areas of husbandry and fruit production.

This transitional period would be divided into two parts, during the first of which the rules of the EEC could not be applied to Spanish fruits, vegetables, cereals and dairy products. Subsequently, the prices of these products would have to start gradually and progressively to approach those of the community. This means that the peninsular prices which are higher than the European prices will be frozen, to the detriment of farmers, while those which are lower will have to increase, to the detriment of consumers. These terms will be especially prejudicial to Catalonia for both husbandry, which plays a more important role in Catalonia than in the rest of the peninsula, as well as for the fruit from the Lerida area.

Then again, regarding the possibility that France may propose at Stuttgart a date for Spain's entry in the EEC, despite the fact that yesterday French sources officially denied the words of Rocard, the conservative daily LE FIGARO confirmed the statements of the French delegation, something which seems to confirm that what has been attempted was a thorough sounding for the purpose of catching the reaction of the rest of the EEC countries.

The EEC intends to leave out of the Common Market, for a mandatory period of four years, plus a 6-year classical transitional period after entry, 58 per cent of Spain's agricultural products, according to the terms of the agricultural document practically just prepared by the European Commission and which will be approved in Brussels on Wednesday, June first. The negative effects that these requirements will now have in the peninsular countryside in one of the most important chapters of negotiations between Spain and the European Community, made Manuel Marin, secretary of state for relations with the EEC, say before the foreign affairs commission of the meeting that the document "is hard and unacceptable."

The document, of French inspiration and about 300 pages in length, has been in Marin's hands for a few days, awaiting his imminent approval for the EEC to release it. According to what AYUI has been able to learn in the Belgian capital, the commission proposes to the ten the setting up of an agricultural entry in stages. The first is a fixed, mandatory, 4-year period (between 3 years minimum and 6 maximum, according to the text in Marin's hands). The second is a classical transitional period of an additional 6 years. During the first, the rules of the EEC will not apply to Spain in the areas of fruits and vegetables, cereals and dairy products. And this means that during this first period after effective entry, the three sectors will continue to be subject to the quotas and customs duties of the Common Market.

Fruits and vegetables, cereals and dairy products make up, especially the former, 58 per cent of Spain's agricultural production, a percentage which will increase markedly if, as everything indicates, olive oil is also excluded from entry for a mandatory ten-year period. Despite the high tariffs and the favorable edge given by the EEC to the countries of the Maghreb, Spain currently exports to the EEC 50 per cent of its fruit and vegetable production, a percentage which rises to 75 per cent for the citrus capital of the Valencia area.

#### Price Increase To the Consumer

The agricultural entry of Spain into the EEC by stages will not favor production prices or consumer prices either, for, once past the first stage, these prices will have to approximate the community mean. In other words, the peninsular prices higher than European prices (especially dairy, sugar and wheat prices) will be frozen to the detriment of farmers, while those which are lower (practically all fruits and vegetables), will have to increase to the detriment of consumers. Since the Peninsula is a net exporter to Europe of Mediterranean produce, the increase in the prices of fruits and vegetables will harm exports more, because it will make them more expensive and at the same time less competitive. As one expert from the Agrarian Chambers [sic] said in Brussels: "it's a matter of somehow penalizing Spanish exports."

According to figures supplied in the document, when Spain joins, the working agricultural area of the EEC will increase by 30 per cent, the number of farmers will increase by 25 per cent, and the percentage of agricultural exports, by 32 per cent, while the total number of consumers--the community objects--will increase by only 14 per cent. Comparatively, the peninsular countryside participates with 14.5 per cent of Spain's raw industrial product, as opposed to 3.9 per cent for the community.

Other more disturbing aspects of the document make reference to the difficulties the EEC sees in extending irrigation in Spain (for the purpose of increasing production) and to the practice, not authorized in Europe but which is customary in the Peninsula, of mingling white wine surpluses (also Common Market surpluses) with vinegar. One of the aspects considered, the "freezing of the mechanism of the dairy products market, though beneficial during the first stage to the Peninsula in general, will have a negative effect on the Catalan agrarian sector.

Despite the relatively minor importance of the agrarian sector in the total Catalan economy, the proposals that the EEC is making to the Spanish State will have worse repercussions on Catalonia, because of its different structure, more similar to the European mean. While in Spain the husbandry subsector is less important than the agricultural subsector, in Catalonia the reverse is true, each representing 13.9 per cent and 6.7 per cent, respectively, of Spanish agricultural production. The "freezing" of the dairy and forage (fodder) markets for four years will be harmful to the Catalan countryside, although it constitutes a lightening for the rest of the Peninsula.

#### Specific Problems for Catalonia

Likewise Catalan overproduction may give rise to problems. The pearlemon tree, lettuce and onions will keep having problems if they do not increase in the first 4-year period after entry, that is, till 1990. Considering the first sector in detail, the pear lemon-tree of Lerida, the first of its kind to mature on the continent, 25 thousand tons of which are normally exported annually, has begun to slack off, so that last year exports of this product amounted to only 12,700 tons.

This figure, in the light of everything we have set forth, will continue to decrease in coming years despite entry into the EEC.

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## SCHLUTER AGAIN VOWS TO STAY FULL TERM, REJECTS ELECTION

## Progressives Would Join Coalition

Copenhagen AKTUELT in Danish 19 Jul 83 p 8

[Editorial: "Progressives Want to Join"]

[Text] The national chairman of the Progressive Party, V. A. Jakobsen, is now advising Prime Minister Poul Schluter to add the government's two support parties, FRP [Progressive Party] and R [Radical Liberal Party] to the nonsocialist government. He feels that a majority government would create the necessary political peace and that the two support parties could just as well be part of the government as stand outside and "be committed to support the policies necessary in any case."

Apparently the FRP national chairman did not enlist his own party colleagues in the cause and it might be tempting for the prime minister to accept the "offer," which it is highly unlikely he will do. For one thing Poul Schluter and Radical Party leader Niels Helveg Petersen have categorically rejected a government coalition with FRP in the past and for another it is hard to see who beside the Progressive Party itself would benefit from an expanded nonsocialist government coalition.

Following party leader Mogens Glistrup's farewell to political work at Christiansborg, FRP has been threatened with total schism and dissolution and a couple of cabinet seats might be the party's salvation. Why should the prime minister give FRP this chance, when he can count on getting FRP's votes for his government policy anyway?

If FRP brings down the government and causes a fall election, it could be a catastrophe for FRP. That is evidently the situation the prime minister is betting on.

## Liberal Party Needs Resolution

Copenhagen AKTUELT in Danish 23 Jul 83 p 2

[Editorial: "We Want Peace"]

[Text] The Liberal Party does not intend to go on being a laughingstock. All the top leaders of the Liberal Party gathered in Copenhagen to discuss how long Prime Minister Poul Schluter and Transport Minister Arne Melchior can be allowed to run things around the Liberals and the meeting led to a statement from the chairman of the Liberal Folketing group, Ivar Hansen.

He said that "it is harmful to national economic developments to have election rumors flying about." He could have added that it is harmful to the Liberal Party that the prime minister has arbitrarily summoned Folketing for an extra session on 9 September, in the context of which he is risking the election that the Liberal Party cannot afford at the moment.

The Liberals are now demanding a quick political solution. Actually it is in the bag. In the midst of all the confusion, the prime minister has gathered his majority from the far corners of the earth and can go to Folketing on 9 September without being toppled on the issue of block subsidies. He can even announce that he--the prime minister--has received support for his policies and thus things can start rolling again. Until 17 August. Then Liberal Finance Minister Henning Christophersen will finally get a chance to present his budget bill. And then the whole thing will start all over again--but then it would be a Liberal minister that might set off the election that Schluter would like to hold.

## Schluter Acts to Dampen Speculation

Copenhagen BERLINGSKE TIDENDE in Danish 24 Jul 83 p 2

[Excerpt] "I have stressed 117 times that the government does not want an election held prematurely. I find it quite inconceivable that I would be forced to call an election this fall. It is simply impossible that a Folketing majority would cause an election by going against the savings cuts that the towns and counties have long since adapted to. I still regard it as absolutely certain that the law will be approved."

That is what Poul Schluter told RITZAUS BUREAU in response to a question on whether an election might be called on 9 September. He went on:

"The municipalities do not want election and confusion. The government parties do not want an election. The Radical Liberals wish to continue their work. The Social Democrats do not want an election at all and I am the one who feels most of all that the government has a right and an

obligation to continue. Then there is the Progressive Party, but the Progressives would not take the sole responsibility for an idiotic and superfluous election which even their own voters would shake their heads at."

Of the recent unrest at the Copenhagen Stock Exchange, Schluter said:

"A certain amount of nervousness is hard to avoid when the government lacks an advance majority. The government wants and expects a clear interest rate decline in the near future. We are holding fast to a stable kronen, minimal price increases and a reduction of the state's foreign deficit. When we present the budget bill on 17 August and give the opening speech on 4 October, we will have paved the way for new interest rate declines that will benefit production and employment."

#### Hard to Avoid Nervousness

Liberal ministers and politicians had expressed a desire for a quicker political resolution so a jumpy bond market could settle down, but when asked about critical statements to the effect that the prime minister has laid out government strategy somewhat "autocratically," the prime minister replied: "That must be due to a misunderstanding. I reached the decision on the necessary Folketing session on 9 September together with the government's four-party committee, which is the proper forum. It consists of the four government parties and they went beyond to the 'hinterlands' of their respective parties, both with respect to government members and chairmen of the individual Folketing groups."

#### Pledges to Stay Course

Copenhagen BERLINGSKE TIDENDE in Danish 24 Jul 83 p 1

[Text] Prime Minister Poul Schluter (Conservative) will not throw himself into new political negotiations when he returns home from his visit to Greenland on Monday, he said Saturday from Greenland.

"The government will proceed in close accord with the plan I announced at my press conference on 15 July," Poul Schluter told RITZAUS BUREAU, and continued:

"Naturally I will hold a number of orientation talks with the group chairmen of the Progressive and Radical Liberal parties, as I usually do each week. I have agreed with both of them that the real broader political discussions will start when the government has released the budget bill on 17 August. That is the best way and that is how it will be."

When asked if this would not mean political unrest for far too long, the prime minister said: "No, it means that the block subsidy reductions will fall into place on 9 September, which is the proper time."

"The interior affairs minister and I fully agreed that the government owes it to the municipalities and the counties to give them legally-binding and definite information concerning their budgets before the third discussion at the end of September. The interior minister is legally required to provide instructions on this by 15 September at the latest. And the interior minister must not be left to shadow box, without having the legal foundation properly laid. This involves a savings cut of 4.35 billion kroner in all for 1984. This is quite decisive for economic policy."

#### Progressive Leader Expects Election

Copenhagen BERLINGSKE TIDENDE in Danish 24 Jul 83 Sec II pp 1-2

[Article by Dan Axel]

[Text] Group chairman Uffe Thorndahl expects that the government will have problems with the Radical Liberals and that this will result in an election around Christmas.

The Progressive Party will not cut the lifeline to party founder Glistrup, even though he will be behind bars for the next few years. A 10-year campaign against the "old parties" will not be thrown overboard because of a 3-year prison sentence. The party founder will continue to be used in daily work--and as lifesaver and martyr in the election that will definitely come while he is serving his sentence.

There have been critical remarks from within the Progressive Party about campaign leader Mogens Glistrup's "behavior and working methods" in the last hectic months before the Superior Court sentence was handed down. But no one in the party dares write him off--yet.

"On 9 August the Progressive Party's Folketing group will discuss how we can keep communications with Glistrup open in practice. He himself has offered his services and there is no doubt at all that the group wants to get as much out of that offer as possible," said group chairman Uffe Thorndahl.

Mogens Glistrup will return home from vacation just before the FRP group meeting and he is expected to participate and tell them at the meeting when he will begin serving his 3-year sentence. The greatest interest will revolve around how he will administer the two votes that were "deposited" with Leif Glensgaard and Mogens Voigt. Votes that must approve the reductions in the block subsidies when Folketing gathers on 9 September if the government is to have a majority.

## Misread

"Too much was probably read into the fact that on 3 June the Progressive Party replaced its spokesman in the negotiations on the government's proposed savings cuts in the block subsidies," said Uffe Thorndahl. "There is a simple explanation of why Mogens Glistrup suddenly became spokesman in place of Anker Tang Sorensen. Glistrup himself asked to become spokesman on this matter. And the rest of us felt that this was based on the fact that this could very well be Glistrup's last big job as spokesman. In other words, it was common courtesy that lay behind the decision on the part of the group."

But government uncertainty about the Progressive Party's stand on the bill was not lessened when the critical Glistrup suddenly became the party's spokesman. And the talks were broken off--and the matter postponed until later. Uffe Thorndahl revealed that at that point--during the second debate on the proposal on Folketing's last hectic working day--the Progressive Party had not yet made a firm decision regarding its stand.

"We had agreed that after the second debate, we would ask for a meeting delay of several hours in order to finish discussing our stand on the legislation," said Uffe Thorndahl.

In the interest of historical truth, this means that the government presumably reacted too quickly when in the middle of the second debate, it terminated the meeting and postponed final preparation of the bill. The extra session now called for September just might have been avoided.

## No Election Before Christmas

Of the immediate future, Uffe Thorndahl said: "I imagine that the 1984 budget bill could create such big problems with respect to the Radical Liberals that the government will be unable to survive. The budget bill must gain final approval by December and I expect that the Radicals along with the Social Democrats will vote in so many amendments that water it down that the economic policy will not hold--and that therefore the government will call an election."

Indirectly, in other words, Uffe Thorndahl is saying that he does not expect the government to fall on 9 September. The government's Achilles' heel is the Radicals--not the Progressives.

"More generally, we are afraid that the state has counted on--and is still counting on--a level of spending that we simply do not have the production to back up," said Thorndahl. "We see this in the domestic and foreign debt even after the government has been trying a new economic policy for a year now."

"Unless we have already passed 'the point of no return'--freely translated to Danish as 'abandon all hope hereafter'--we are at least very close to

it. And that means that for each krone more we use--each krone the public sector uses above what it earns in and each krone that must then be borrowed abroad--the harder it will be to return to a healthy economy," said Uffe Thorndahl.

"And I am very nervous that we are going so far out that things will automatically get worse and worse. Then there will be no way back," he said.

#### Included in Introductory Phase

"On the other hand, we regard it as very positive and very encouraging that we will now be included as early as the introductory phase when the budget bill is discussed. This is the first time in the party's history that we have been invited to help shape economic policy in Denmark. And this applies to more than just those parts on which they can use our votes," Uffe Thorndahl said.

But Thorndahl is quite certain that the Progressive Party will not "swallow the entire government budget bill." According to the FRP group chairman, the party will go on working out its own alternative budget bill, as it has done in the past.

"Nothing fundamental has been changed in the fact that Denmark consumes more than it brings in. Year after year, the public sector has consumed too much and that is the reason why today we are the nation that has the biggest foreign debt in the world per inhabitant--with the enormous problems that implies," said Uffe Thorndahl.

"No party today would dream of increasing revenues--i.e. taxes--in order to pay off the debt in that way. That leaves savings as the only way out and in order to come into a rhythm in which the debt can be paid off, there must be substantially higher savings than those the government has planned," Thorndahl said.

Uffe Thorndahl agrees with the government that an end should be made to the principle of something for nothing--so that those who can afford to have to pay for some of the things that are free now.

"We must have a well-developed social safety net that can help those who need help," said Uffe Thorndahl. "But it is quite unreasonable that those who earn 200,000 kroner and up should get social benefits. In many cases, the system is constructed in such a way that it is the poor who pay out to the wealthy."

According to Thorndahl, this reverse Robin Hood system exists because in wealthy communities, larger social benefits are paid out on the principle that the richer someone is, the larger the social assistance he needs. Thus poor people in poorer communities pay for it.

"I have tried to produce statistics on this myself," said Uffe Thorndahl. "And sure enough, it turned out that on the average, higher social benefits are paid out in towns with a high tax base than in towns with low tax revenues."

Thorndahl stressed that this attitude toward social payments had survived during the 10 years the Progressive Party has been in existence. Among other things, it helps to identify the party as a labor party, in the view of group chairman Uffe Thorndahl.

6578

CSO: 3613/164

## SCHLUTER SAYS UNEAGER FOR ELECTIONS, BUT COALITION WOULD WIN

Copenhagen BERLINGSKE TIDENDE in Danish 17 Jul 83 p 1

[Article by Dan Axel]

[Text] It would be a pure waste of time to topple the government on the issue of the cuts in the block grants when Folketing gathers for an extra session on 9 September. An election would not give Denmark a new government.

That is the clear message from Prime Minister Poul Schluter, after unrest arose again concerning the stand of three Folketing members on the savings of 1.35 billion kroner in the 1984 block grants to municipalities and counties.

"I am not afraid of an election--but an election in itself is undesirable," Prime Minister Poul Schluter told the Sunday edition of BERLINGSKE TIDENDE. "But if we have an election here this fall anyway, I can guaran...[as published], I feel quite convinced that the four-party government will return to office."

Greenlander Preben Lange of Siumut [socialist, radical home-rule party] is demanding that a planned cut of 95 million kroner in block subsidies to Greenland be eliminated. Otherwise, he will not hesitate to overturn the government.

Tom Hoyem, minister of Greenland affairs, has rejected in advance any possibility of negotiating on the 95 million kroner. "It is Preben Lange's own problem that he wants the government to step down," he said.

Follow Glistrup

The last two votes that could be decisive for the government's survival belong to Leif Glensgaard and Mogens Voigt of the Progressive Party. While Glensgaard feels that the Progressive group as a whole should reach a decision when talks are held with the government, Voigt wants to vote on the basis of advice from Mogens Glistrup, who will probably be in jail when the issue is decided on 9 September.

The vice chairman of the Progressive Folketing group, Helge Dohrmann, is also rattling his saber. "It is a total misunderstanding if Prime Minister Poul Schluter thinks he can simply dictate to the Progressive Party," said Dohrmann, who called it bluff if anyone thinks the policy the government is planning will save anything at all.

In an interview elsewhere in the paper, Prime Minister Poul Schluter says of the Progressive Party: "They must see what the alternative is--a life without political influence. And it would be an historic error if they fail to insure all possibilities of providing the government with a long life."

6578

CSO: 3613/159

## PAPER COMMENTS ON SCHLUTER POPULARITY, POLL TRENDS

Copenhagen BERLINGSKE TIDENDE in Danish 5 Jul 83 p 8

[Editorial]

[Text] This is too much of a good thing! That must be Poul Schluter's immediate reaction to the political Gallup poll. No one can blame him for being happy about the Conservative Party's (KFP) strong standing in the public eye and there are supposed to be Conservative Party representatives who believe that their party will be even with the Social Democrats before long. However, the figures merit reflection and the most hopeful conservatives should try to cool their expectations. Trees do not grow as high as the sky and it would not be good if they did.

Conservatives should be allowed the spontaneous enjoyment of their party's success since the government was formed last September. They need that, considering the big conservative losses and the long, tough struggle which preceded the party's reestablishment. It has been said several times that their success can be ascribed to the so-called prime-minister effect. Within a coalition government, the interest will always be focused on the prime minister's party at the expense of the other parties. Of course, this effect has also played a part. But it is only reasonable to add that, without a doubt, Poul Schluter as prime minister has gained the reputation of doing a good job and doing it to voters' satisfaction. His perpetual good humor is something that is appreciated at a time when there is plenty of sullenness around.

While the conservatives are gaining votes, its coalition partners and two supporting parties are suffering. None of them have as much support as they had on election day. There is talk about a possible catastrophic decline for the Center-Democratic Party (CD). However, that is probably the party which can best handle the situation without losing its head. As Erhard Jakobsen so often said, the Center-Democratic Party is a party without dogmas and over the years has shown its ability to handle both ups and downs without being unduly dramatic about it. Things are going very badly for the Radical Liberal Party (RV) and the Progressive Party's (FKP) future chances are probably more uncertain than they ever have been.

The important thing, however, is that the majority of voters will continue to support the present government even after the polling results have been tabulated. Polling results do not call for an election and the conservatives, who might feel tempted to hold one, would do so contrary to voter interest. There is not going to be an election this summer and we should not have one this fall either. It is doubtful that the Conservative Party will ever cash in on the prize which seems to be waiting for them, but their real prize will be the ability to lead the four-party government for a longer period of time. When all is said and done, it is probably the hope that this is the prime minister's goal which engenders the party's great support. You do not "vote" conservative to bring about an election, but to strengthen the government.

8952

CSO: 3613/147

## PROGRESSIVE PARTY MAY BE KEY TO WHETHER SCHLUTER SURVIVES

Copenhagen BERLINGSKE TIDENDE in Danish 21 Jul 83 p 6

[Editorial: "The Two Roads"]

[Text] When Folketing meets in September, there will be a final clarification of two central issues in Danish politics. In the first place, we will see if the government can muster a majority behind its policy. In the second place--and in part coinciding with this--we will see what kind of a Progressive Party emerges from the summer. This process of creation is well under way at present. The government's move could act as a catalyst, but it is still unclear what form the results of the process will take.

The Progressive Party can still move in two different directions. It can take part in the cooperation offered by the government, participate in the shaping of details in the framework the government has set up and generally recognize its obligation to make sure that the government can remain in office for a long period of time. Or it can live up to its image as a protest party that does not want to dirty its hands by assuming responsibility but reserves the right to pursue so-called progressive policy, heedless of the parliamentary consequences and thus of the nation's economic and political situation as well.

So far, there have been contradictory reports about where the party is heading. The party's parliamentary leader, Uffe Thorndahl, has rightly pointed out that the prime minister's invitation to hold talks with the government involves an historic chance for the Progressive Party. This is namely the first time the party has been asked to sit down at the table where the systematic deliberations on the shaping of the budget bill take place. If the party seizes the chance, one of the effects this will have is that the annual farce that is played out when the Progressive Party submits its amendment proposal to the budget bill can be canceled. For via the talks, the party will be committed to the government's budget bill.

But there are others in the party who do not share Uffe Thorndahl's joy over this chance. The vice chairman of the Folketing group, Helge Dohrmann,

has said that it is a total misunderstanding if the prime minister thinks he can dictate to the Progressive Party and he has called it a bluff if anyone thinks the government's policy can pull off anything at all.

If implicit in this statement is the idea that the Progressive Party--when the time for talks comes round in August--can dictate to the government and if there is still the idea in the party that support costs concessions, their plans will be upset. The Progressive Party can exert influence with the help of rational arguments, but if it tries to threaten its way through in the manner of the Glistrup troika, it will be wasting its own chance. Under any circumstances, it is meaningless to talk about government participation for a party that has not yet found out which way it wants to go.

6578

CSO: 3613/159

## GALLUP POLL EXAMINES DEMOGRAPHIC STRUCTURES OF PARTIES

## Supporters' Incomes, Professions Examined

Copenhagen BERLINGSKE TIDENDE in Danish 20 Jun 83 p 1

[Article by Asger Schultz of the Gallup Institute: "The Party Structures and the Political Interest Groups"]

[Text] The Progressive Party remains the largest party for workers, and the Center Democrats have the largest number of single-family homeowners.

It is a constant characteristic of how our parliamentary system functions that when the political parties have "compromised" themselves enough by taking joint political responsibility for compromise political solutions, they feel the need for self-examination, which means mapping out more sharply the party's political profile in the hope that the voters will see them more easily.

This effort is in no way easy, considering that our party structure is in essence almost 100 years old and is based on the structure of a society that has changed decisively. Different factors are now decisive for the voters and special-interest groups have gained considerably more importance. One example is government employees.

Because the Gallup Institute worked up a very large data base during the current research on which the "Political Index" is based, it is possible on the basis of the large amount of material collected to cast light on the structure of the parties as they look after the political shifting that has taken place after the nonsocialist government came to power in the fall of last year.

## Two Questions to 12,000 Voters

In the following survey, which is based on a typical cross-section of approximately 12,000 voters, the parties' voters are divided by the criteria which is commonly used in the description of the individual parties' electorate. In the survey is also added a picture of the part of the party's "image," which refers to a series of interest groups, and this survey is based on the accompanying questions which were posed to the respondents :

I will now name a series of sections of the population for you and I want to ask you which party in your opinion does the most for each section of the population?

Although the survey is based on a very large sample from a statistical point of view, it must be stressed that the uncertainty is considerable for the smallest parties, that is to say the Communists and the Single-Tax Party:

Which party would you vote for if there were parliamentary elections tomorrow?

#### The Progressive Party Ranks Among Workers Parties

As a portion of the political debate often moves around the class-struggle theme, it is natural to look at how the voters are distributed among the political parties on the basis of their occupational status as workers, salaried employees or independent businessmen.

The conclusion is quite clear. Along with the leftist parties and the Social Democratic Party, the Progressive Party also ranks with the large workers parties, a development which is intriguing based on the events that took place in Faelledparken on May 1. Unlike the three leftist parties, the Progressive Party has on the other hand only relatively few salaried employees among its voters and in order to make that part of the picture complete, the Progressive Party and the Conservative Party are in first place when it comes to attracting the independent businessmen, if we leave out agriculture, which yields the largest support of this group among the Liberal Party's voters.

#### The Pension Party, the Christian People's Party

The salaried employees are not distributed quite so differently, but it is conspicuous that all parties to the left of the Social Democratic Party are primarily parties for salaried employees and are not worker parties.

The pensioners have always been an attractive interest group with which most often the word "voter meat" has been associated during election campaigns. It comes forth clearly in the survey that the Christian People's Party is a pensioners party par excellence because in this party there are twice as many pensioners as in the total population.

In connection with the placement of the voters according to occupation, it is interesting to see how government workers align themselves politically. It comes forth in the survey that the three parties to the left of the Social Democratic Party have the greatest number by far of government workers among the population, where approximately every fifth person is a government worker. It also comes forth clearly that the party that is just the opposite and turns the government workers off the most is unconditionally the Progressive Party, although government workers do not care for the Liberal Party either.

## Distribution by Income

The distribution of voters according to income, that is to say total taxable income of the household, also shows a striking difference. If one looks at the group with an income of 280,000 kroner or more, one will see that the most affluent electorate aligns itself with the Conservative Party followed by the Radical Liberal Party along with the Left Socialist Party. The basis for this comparison is, however, not the figures in the survey, but these figures make adjustment for the rather strong variable "undecided" percentage.

If the income group between 200,000 and 280,000 kroner is included, most of the affluent electorate are for the Conservative Party, the Single-tax Party and the Communists, although the Radical Liberal Party is still included. Finally it can be seen at the other end of the scale and independent of how income is grouped that the Christian People's Party electorate is obviously the worst off financially and in comparison with the voters of the other parties even very badly off.

As far as education is concerned, there is almost an enormous difference among the parties' electorate. By far the best educated in the electorate belongs to the Left Socialist Party. Among the electorate of this party, half of the voters (51 percent) have at least a matriculation certificate, compared with only 13 percent of the total population--and only 5 percent among the voters of the Progressive Party and 6 percent among the voters of the Social Democratic Party. Moreover, the electorate of the two leftist parties is on a considerably higher education level than average.

With respect to gender and age, along with the difference between town and rural area, it can be seen with respect to the distribution between men and women that the contrast is between the Progressive Party and the Christian People's Party. In the first, two-thirds of the voters are men (68 percent) while in the latter almost two-thirds are women (63 percent).

With respect to age, the voters for the Christian People's Party are clearly the oldest while the Socialist People's Party has the youngest followers (15 to 24 year olds). If the age group between 15 and 39 is looked at, there is a great difference. When compared with the other parties, the three parties to the left of the Social Democratic Party have twice as many voters in this age group.

Moreover, it can also be seen that two parties, the Liberal Party and the Progressive Party receive half of their votes from rural areas. And it can also be seen that the Christian People's Party is the party that has relatively the largest number of voters in Jylland.

## The Parties and the Interest Groups

The last table in the survey shows a number of political interest groups and what ideas the voters have formed about the individual parties' relationship

with these interest groups and thereby about this part of the parties' "image" or profile. If one looks at this table in the survey, one will immediately notice the relatively high--and variable--"undecided" percentage and the very abnormal distribution along with the relatively high figure in the first column (the Social Democratic Party). The first phenomenon indicates the interest groups' relevance as characteristics and the profile of the parties. The abnormal distribution indicates the interest groups' relevance with respect to profiling the difference between the parties. Finally, the high percentages in the first column are to a high degree just a reflection of the fact that the Social Democratic Party is the largest and best-known party. This last phenomenon is unfortunate because it blurs the factual picture of the parties' images and in the following conclusions it therefore seeks to make corrections for this effect. The table will thus "overstate" the picture of the Social Democratic Party at the cost of the smaller parties, which is why the following analysis has also cited an analysis of the various electorates' own responses to these questions. Because of space, these tables (10 in all) are excluded from the survey. The table is therefore to a certain extent just illustrative.

Beginning with the pensioners, their care is obviously and strongly characterized by the image of the Social Democratic Party without any real competition from other parties.

The interest for youth is also just as strong a characteristic for all the leftist parties, even though the Social Democratic Party has the highest percentage as a result of the aforementioned effect.

When as an interest group are not so relevant as 61 percent answered "undecided." To the extent of being an interest group, it is the leftist parties the women align with, however, and generally evenly when compared with the parties' own voters.

#### The Center Democrats Strong among Homeowners and Motorists

Single-family homeowners are a distinct--and a large--interest group and among them the Center Democrats rank very strongly. The way the voters view it, the interests of the self-employed are almost a monopoly for the Conservative Party, aside from the fact that the Progressive Party has just as many self-employed among its voters.

Government workers align themselves very markedly with the issues of the Social Democratic Party.

With respect to motorists, there is almost only one party to speak of and that is the Center Democratic, but over half of the voters (56 percent) have answered "undecided" to that question.

The working class as such subscribes very markedly to the Social Democratic Party's political picture but is corrected because of the party's size. That it is also a considerable feature of the other leftist parties, but the

Social Democratic Party is the party that is most closely connected with guarding the interests of the working class.

The handicapped, as a minority with difficulties, identify primarily with the Social Democratic Party, which guards the interest of such minorities.

All parties are indicated as having great sympathy for the unemployed. But here it is primarily the Social Democratic Party which stands as an exponent for the political interests of the problems of the unemployed, although to a certain degree--to a considerably lesser degree--it is considered a part of the other leftist parties' political efforts.

Of course the Social Democratic Party is considered the most favorable for the educated but if the party's own voters are asked, the Left Socialist Party enters the picture very strongly. This feature is the strongest of the total picture of the Left Socialists and that is also a very pronounced part in the voters' picture of the Socialist People's Party. Children are viewed as a "family matter" and if the answers from the parties' own voters are considered, the party most in favor of children is the Christian People's Party which does not, however, come into its own in the survey because of the party's moderate size.

The Conclusion: There Is Scope....

In conclusion it is the affluent who perhaps no party cares to protect. Only one-third has answered "undecided" to this question and it can be acknowledged that it is a very clear part of the political picture of the Conservative Party that it looks after the interests of the affluent.

As mentioned above, the sample of the interest groups is incidental as there are many other interest groups in existence, but shown in the survey are those which the voters actually see as the differences in the characteristics of the parties' profiles. The parties are viewed differently and with many questions this profile can be identified very accurately. The significance of this is obvious but the advantages for the parties are that this or that image depends on what significance the voters place on various interests.

The most desirable image is obviously the interests on which the voter puts the highest priority and this cannot be concluded from the present survey. But the great difference between the parties which the whole study has brought forth shows that all are not "one and the same" but rather that there is scope for many political strategies.

Reprinting only with the statement that the BERLINGSKE TIDENDE and the Gallup Institute are the sources.

		total: A B C E F K M Q V Y Z												
		%	%	%	%	%	%	%	%	%	%	%	%	%
(1)	Mand	49	51	54	52	65	51	48	58	37	53	50	68	
(2)	Kvinde	51	49	46	48	35	49	52	42	63	17	50	32	
(3)	Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(4)	15-24 år	19	9	8	11	5	23	17	10	6	6	20	14	
(5)	25-39 år	28	30	23	24	28	51	49	29	20	22	68	31	
(6)	40-59 år	28	31	37	35	42	17	20	29	29	36	9	32	
(7)	60 år el. derover	25	31	32	30	25	9	13	32	45	36	3	23	
(8)	Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(9)	Kbh., Fred.berg	13	15	13	12	31	26	18	2	6	2	37	7	
(10)	Kbh. forstæder	14	14	17	22	8	16	23	18	3	5	16	9	
(11)	Øerne	28	28	32	27	22	25	22	25	20	29	22	27	
(12)	Jylland	44	43	38	40	39	33	36	54	71	64	24	57	
(13)	Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(14)	Hovedstadsområdet	27	29	30	33	39	42	41	21	9	7	53	16	
(15)	Provinsbyer	45	49	43	43	36	41	46	44	49	41	32	34	
(16)	Landdistrikter	28	22	27	24	25	17	13	36	42	51	15	50	
(17)	Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(18)	Folkeskole	65	79	54	48	55	47	43	67	72	72	27	78	
(19)	Mellem-/real-skole	22	16	23	34	23	22	32	23	17	16	21	17	
(20)	Stud./HF/Univ.	13	6	23	18	22	31	24	10	11	12	51	5	
(21)	Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(22)	Arbejder	23	33	19	11	7	30	36	22	10	12	20	34	
(23)	Funktionær	29	26	35	37	50	42	39	37	28	22	47	16	
(24)	Selvstændige-total	10	2	7	18	5	1	3	7	14	30	1	24	
(25)	Lærl./elev/stud.	12	4	7	6	1	16	6	4	4	4	26	4	
(26)	Pensionist/efterløn	20	27	25	21	25	9	11	24	37	24	4	15	
(27)	Gift u.s. selvhverv	6	7	6	7	11	3	5	6	8	8	1	7	
(28)	Ialt	100	100	100	100	100	100	100	100	100	100	100	100	

Key:

- |                                  |                                   |
|----------------------------------|-----------------------------------|
| A = The Social Democratic Party  | 10. Copenhagen suburbs            |
| B = The Radical Liberal Party    | 11. The islands                   |
| C = The Conservative Party       | 12. Jylland [Jutland]             |
| E = The Single-Tax Party         | 13. Total                         |
| F = The Socialist People's Party | 14. Metropolitan area             |
| K = The Communist Party          | 15. Towns in the provinces        |
| M = Center Democratic Party      | 16. Rural areas                   |
| Q = The Christian People's Party | 17. Total                         |
| V = The Liberal Party            | 18. Primary school (7-9 years)    |
| Y = Left-Socialist Party         | 19. Secondary school (9-12 years) |
| Z = The Progressive Party        | 20. Higher (12+ years)            |
| 1. Men                           | 21. Total                         |
| 2. Women                         | 22. Worker                        |
| 3. Total                         | 23. Salaried employee             |
| 4. 15-24 years of age            | 24. Self-employed                 |
| 5. 25-39 years of age            | 25. Student, apprentice           |
| 6. 40-59 years of age            | 26. Pensioner/retiree             |
| 7. 60 years of age or older      | 27. Married, not working          |
| 8. Total                         | 28. Total                         |
| 9. Copenhagen and Fredriksberg   |                                   |

# Question 1

Posed to a representative segment of approximately 12,000 of the country's voters after the change of government in the fall of 1982:

Which party would you vote for if there were parliamentary elections tomorrow?

	total: A B C E F K M Q V Y Z												
	%	%	%	%	%	%	%	%	%	%	%	%	%
(1) Er svarpersonen p.t. beskæf. i offentlig el. privat virksomhed													
(2) Offentlig ansat	21	22	27	19	28	33	37	29	24	14	38	9	
(3) Privat ansat	35	31	33	44	31	30	33	34	25	48	21	58	
(4) Ikke beskæftiget	6	8	2	3	3	9	8	4	3	2	10	6	
(5) Ude af erhverv	39	38	38	33	37	28	22	33	48	36	32	26	
(6) Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(7) Husstandens samlede indkomst													
Kr. 0-119.999	23	30	23	19	20	22	16	21	40	29	24	21	
Kr.120.000-199.999	21	24	20	18	17	22	21	24	20	17	26	22	
Kr.200.000-279.999	20	22	25	21	41	26	43	26	13	15	19	22	
(8) Kr.280.000 el. mere	12	8	17	19	9	14	10	12	3	12	18	8	
(9) Ved ej/vil ej svare	25	16	15	23	13	16	11	17	25	26	13	26	
(10) Ialt	100	100	100	100	100	100	100	100	100	100	100	100	
(11) Boligens art. . .													
(12) 1-2 families hus	63	60	71	70	49	50	54	76	62	55	43	62	
(13) Gård	8	1	7	6	14	1	1	5	16	38	2	20	
(14) Etageejendom/vær.	29	38	22	24	36	48	45	18	21	8	55	19	
(15) Ialt	100	100	100	100	100	100	100	100	100	100	100	100	

## Key:

- A = The Social Democratic Party
- B = The Radical Liberal Party
- C = The Conservative Party
- E = The Single-Tax Party
- F = The Socialist People's Party
- K = The Communist Party
- M = Center Democratic Party
- Q = The Christian People's Party
- V = The Liberal Party
- Y = Left-Socialist Party
- Z = The Progressive Party

1. Is the respondent employed with the government or in private sector?
2. Government worker
3. Works in the private sector
4. Does not work
5. Unemployed
6. Total
7. Total income of the household
8. 280,000 kroner or more
9. Does not know/does not want to answer
10. Total
11. Type of housing
12. 1-2 family house
13. Farm
14. Apartment/rooms
15. Total

## Question 2

Also posed to a representative segment of about 12,000 voters after the change in government which took place in the fall of 1982:

We will now name a series of sections of the population for you and I want to ask you which party in your opinion does the most for each section of that population?

The responses to this question yielded the following results of total distribution and of the parties voters.

	A	B	C	E	F	K	M	Q	V	Y	Z	Ved ikke <sup>(1)</sup>	Ialt (2)
	%	%	%	%	%	%	%	%	%	%	%	%	%
(3) Folkepensionister	50	1	3	1	3	1	2	2	2	0	3	35	102
(4) Ungdommen	24	1	4	1	15	1	2	1	2	8	0	44	102
(5) Kvinder	15	2	3	0	12	1	1	2	1	4	0	61	102
(6) Parcelhusejere	7	1	11	1	1	-	45	0	2	0	2	32	103
(7) Selvst. næringsdr.	5	3	45	1	0	0	2	0	10	0	4	33	104
(8) Offentlig ansatte	48	2	6	0	2	0	1	-	2	1	0	40	102
(9) Bilister	5	0	5	1	0	0	30	1	1	0	2	56	102
(10) Arbejderklassen	53	0	0	0	13	4	1	0	2	5	0	25	103
(11) De handicappede	31	0	1	0	3	0	1	4	1	1	0	58	102
(12) Arbejdsløse	38	1	1	0	10	2	1	0	1	3	0	45	102
(13) Uddannelsessøgende	23	1	3	1	11	1	1	0	2	8	0	50	101
(14) Børn	20	1	2	0	7	1	1	4	1	3	0	62	102
(15) De velstillede	4	1	50	0	0	0	1	0	5	0	8	34	104

### Key:

- |                                  |                             |
|----------------------------------|-----------------------------|
| A = The Social Democratic Party  | 3. State pensioners         |
| B = The Radical Liberal Party    | 4. Youth                    |
| C = The Conservative Party       | 5. Women                    |
| E = The Single-Tax Party         | 6. Single-family homeowners |
| F = The Socialist People's Party | 7. Independent businessmen  |
| K = The Communist Party          | 8. Government workers       |
| M = Center Democratic Party      | 9. Motorists                |
| Q = The Christian People's Party | 10. The working class       |
| V = The Liberal Party            | 11. The handicapped         |
| Y = Left-Socialist Party         | 12. Unemployed              |
| Z = The Progressive Party        | 13. Students                |
| 1. Does not know                 | 14. Children                |
| 2. Total                         | 15. The affluent            |

## Social Democrats Have Most Younger Voters

Copenhagen BERLINGSKE TIDENDE in Danish 20 Jun 83 p 1

[Article by Solveig Rodsgaard: "The Progressive Party Is a Workers Party"]

[Text] The Progressive Party still gets most of its voters among the "workers," with the Socialist People's Party and the Conservative Party leading slightly. And over two-thirds of the voters for the Progressive Party are men. This comes forth in a Gallup study on the parties' voter composition.

Thirty-four percent of the voters for the Progressive Party are workers while the Social Democratic Party counts 33 percent. At the top of the list is the Conservative Party with 36 percent. The study also shows that most of the Progressive Party voters live in rural areas and are between 40 and 59 years of age.

If one looks at the voter distribution among the government parties, the Conservative Party has the largest number of voters among salaried employees, or 37 percent. The Liberal Party has the largest number of voters among the self-employed, or 30 percent. The Center Democratic Party also has the largest number of voters among the salaried employees, or 37 percent, and the core of the voters for the Christian People's Party is, according to the survey, pensioners/retirees, or 37 percent.

The largest number of voters for the Social Democratic Party after the workers are pensioners/retirees, who compose 27 percent, and salaried employees at 26 percent.

Among the government parties, both the Conservative Party and the Liberal Party have the greatest following among the 40-59 year olds while the Christian People's Party has the largest number of voters over 60 years of age.

It also comes forth that the government parties have the largest number of voters among people who live in one or two-family homes, and along with the Center Democratic Party, they are at the top of the list with 76 of its voters among that group. The survey also demonstrates that people feel that the Center Democratic Party is the party that does the most for owners of single-family homes and for motorists. The Conservative Party does the most for the group which in the survey is described as "the affluent."

Feminine voters are in the good graces in the Social Democratic Party and the Socialist People's Party, with each party receiving respectively 15 to 12 percent each. On the other hand, the Christian People's Party has the largest number of voters among women but the three other government parties have a more or less equal distribution between feminine and masculine voters with, however, a slightly larger number of men.

## SOCIALIST PARTY ORGAN SEES POSSIBLE ELECTION IN OCTOBER

Copenhagen AKTUELT in Danish 16 Jul 83 p 8

[Editorial: "Schluter's Election"]

[Text] Prime Minister Poul Schluter is really a clever politician. His tactics are admirable. Everything has been prepared--surprisingly and effectively. While the prime minister is traveling to Greenland and Japan and the other members of the government have looked at China, Thailand, Africa, Sweden and whatever else ministers look at, Schluter has lit the fuse of a bomb that the other government parties will be left standing with in their hands.

Folketing will be meeting this summer. In spite of all the Radical Liberal secret reports "from government sources" to the contrary, Folketing will be meeting one day--on 9 September--to discuss one thing. The block subsidies. The government is standing firm on its agreement with the Radicals to cut 1.3 billion kroner in 1983 and 1.3 billion in 1984. The Progressive Party will not accept that. In addition, the Radicals think the most important thing is to get farm interest subsidies lined up this summer. This will not happen. The government's policy will not be lined up. But then an election will have to straighten things out.

Not a "random shot" election, as the Radicals say, but a clear, coldly-planned election that will be touched off by "the others"--but will give Schluter lots of seats!

He would like to remain in office a long time. Pursue stable, right-wing policies. Create optimism and business activity. Make use of the market upturn, etc., but the support parties will not go along, is the way the script will read.

That is why the prime minister has planned an election after the summer heat wave, an election that could be called in September, but could also wait until Tuesday, 4 October. The day Folketing has to meet under any circumstances. That would be clever.

6578

CSO: 3613/159

## SDP STUDENT ORGANIZATION EXPELS TROTSKYITE MEMBERS

Copenhagen AKTUELT in Danish 24 Jun 83 p 50

[Article: "Dramatic Purge of Trotskyites in DSU [Danish Social Democratic Youth Organization]]"

[Text] After a year of secret investigations of members who were under indictment for political infiltration, the DSU--Danish Social Democratic Youth Organization--has decided to expel seven members of the Århus branch, including a female member of the executive committee.

League President Jan Petersen tells AKTUELT that there had been conjectures regarding political activity which is clearly contrary to the DSU's rules and that the suspicion has been ascertained. He even believes that the Danish Social Democratic labor movement has been infiltrated by the Trotskyite organization Committee of Workers International and that a number of countries have experienced the same thing, including Holland, Belgium, England, Germany and Sweden.

In Sweden the DSU's sister organization--the SSU--has expelled about 100 members on these grounds.

## DSU Protected

"We have had to protect the DSU as a democratic organization and it is regrettable that the DSU's openness should lead to the situation that revolutionary groups are working against the DSU from within," Jan Petersen says.

A spokesman for the seven expelled, Birgitte Jørgensen of Århus, repudiates all accusations of infiltration. "We are critical and we believe that it is disgraceful that the DSU does not in any way go to fight against the non-socialist government's cutbacks--but Trotskyites we are not," Birgitte Jørgensen says.

## Expulsion

Expulsion is a serious--and infrequent--matter in the DSU, but it has been necessary, they say in the DSU.

The organization's business committee has been informed about the investigations which have gone on for so long a time and the decision regarding expulsion was made by a unanimous executive committee.

The DSU got on the track of the alleged infiltration via a report from the SSU-- the Swedish Social Democratic Youth Organization.

The SSU had from international connections gotten hold of a report which, for one thing, maintains that the international revolutionary movement wanted to work intensively in Denmark, and the DSU was informed.

Those expelled from Århus strongly deny all charges and are now going to the Århus trade movement, in part to be acquitted of all charges and in part to be readmitted to the DSU.

8985

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## CP-CONTROLLED TEACHERS UNION EXPERIENCING MASS DESERTIONS

Copenhagen AKTUELT in Danish 2 Jul 83 p 16

[Article by Peter Bergen: "Mass Desertions from Teachers Union; DKA [Danish Municipal Labor Union] intervenes against DKP [Communist Party of Denmark] Controlled Labor Union"]

[Text] The desertion of members from the LFS teachers union is worrying the Danish Municipal Labor Union so much that union President Paul Winckler wants to have a meeting with the LFS's leadership.

The DKA can intervene because the LFS (Landsforeningen for Socialpaedagoger [National Union of Public Teachers]) is a branch of the DKA. Also although the LFS, as the only DKA branch to do so, keeps its members out of the DKA's local branches and steers a political course completely different from the DKA's. Among other things, with attacks on Paul Winckler, the DKA and the Social Democratic Party.

The LFS's political line, which is not to be distinguished from the DKP's, has resulted in several crying pleas to the DKA from moderate teachers. Among others, from Vibs Neessen of Naestved, who for eight years has sat on the LFS's executive committee.

#### Many Applications

Paul Winckler: "We have received a number of applications from groups at places of work and from individuals who can no longer handle the LFS's left-oriented line. If something was not done they wanted to resign membership. I understand well that some members feel that the professional work in the LFS has become something secondary as compared with the political. And this is at the bottom the reason that these members are slipping away."

"What is also taking place is that people are just resigning. More and more are only in the A category and about one fourth of daycare teachers are not organized today. This is too many and the resignations are continuing. Something must be done about such a serious problem. Regardless of what the LFS's leadership thinks about the discontented, it must admit that the resignation of members is unfortunate."

"The labor union belongs to the members. They are in it in order to get assistance and security. When some are unhappy one cannot just, as the LFS's president did in LAND OG FOLK, dismiss AKTUEL'T's reference to the problem by the fact that the pope's visit to Poland is over and there are not so many sensational stories at the moment. This is a little too offhand and a blurring of responsibility."

The affection between the DKA and LFS is thus limited. And in LAND OG FOLK, which each year receives 10,000 kroner from the LFS, LFS President Anne Bergquist also touches on the subject of plans regarding letting the union enter a new united union for teachers.

Paul Winckler: "We will not stand in the way of an effective teachers organization's being constructed. On the other hand, I will not hide the fact that we receive many applications from teachers who do not want to take part in such a union. They ask about membership in the DKA. If the development continues in the Danish Teachers Union, we also risk the fact that there are some here who would rather be in a more down-to-earth organization than in the "wilds."

#### "Communist Smear Campaign"

LFS President Anne Bergquist dismisses Vibes Neesen's [as published] criticism as a "communist smear campaign in the silly season." She also says that Vibes Neesen has sat on the LFS's executive committee for four years without displaying her dissatisfaction.

Paul Winckler: "What Vibes Neessen said to AKTUEL'T she has said several times before. It is not something she suddenly invented and we have heard this from several. It is not only hers, but several's problem. The question is whether it is the majority's."

The DKA will not break boundary agreements and special rules by allowing teachers to resign from the LFS or other organizations and get direct membership in the DKA. "We must reject the applications, even though we understand them," Paul Winckler says.

However, there is a bright spot ahead for the discontented daycare teachers in the LFS. By September 1984 at the latest the LFS must also live up to the DKA's rules so that teachers are attached to DKA's local branches.

8985

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## PRIME MINISTER DISCUSSES UNEMPLOYMENT ISSUE DURING VISIT

Copenhagen BERLINGSKE TIDENDE in Danish 21 Jul 83 p 5

[Text] The mayor of Aasiaat (Egedesminde) appealed Wednesday to Prime Minister Poul Schluter to help the city with aid for enlarging the local fish factory and expanding the fishing fleet.

This occurred when the prime minister and his group came to Aasiaat, which has the highest unemployment in Greenland, namely around 20 percent, on Wednesday. Unemployment is rising at a rate of about 100 people a year.

The mayor stressed that the city's only means of existence is the ocean resources and that an expansion in this area would relieve unemployment.

The final decision on modernizing the fish factory and building a new shrimp factory will be made by 4 August.

The prime minister admitted that Aasiaat had problems, but he could not promise aid for a shrimp factory. He felt the town should look ahead and find businesses that can give employment outside the fishing sector.

One suggestion might be an electronics factory, he said.

Prime Minister Poul Schluter saw a GTO [expansion unknown] shipyard in Aasiaat on Wednesday and took a trip around town before he and his group were lodged on the Danish inspection ship, "Ingolf," that was removed from the submarine search to act as hotel ship. "Ingolf" headed for Ilulissat (Jacobshavn) on Wednesday evening.

## Committee on Fishing and Sheep

A fastworking task force that will try to solve the problems of Greenland fishermen and sheep farmers is one of the preliminary results of Prime Minister Poul Schluter's trip to Greenland.

During the political talks with the prime minister, the government of Greenland pointed out among other things the difficult business conditions

in Greenland, placing special emphasis on the problems of fishermen and sheep farmers.

Against the background of the severe icy winter months and the subsequent indebtedness problems for fishermen and sheep farmers, the national authorities and the Greenland home rule government have now decided to appoint a fastworking task force to analyze the problems and come up with suggestions for possible solutions. The task force will consist of representatives appointed by the home rule government and the national authorities with the national ombudsman as chairman.

The proposals of the task force are to be ready within 4 months.

Hoyem to Canada

Greenland Minister Tom Hoyem (Center-Democrat) is not going to Denmark, as planned, with Prime Minister Poul Schluter (Conservative) when he finishes his trip around Greenland on Monday.

Instead Tom Hoyem will attend the opening of the Inuit [Eskimo] Circumpolar Conference (ICC) in Frobisher Bay, Canada.

During the conference, ICC will try to arrive at a joint policy for Eskimos in Greenland, Canada and Alaska.

6578

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STRAUSS ON POLITICAL, ECONOMIC ISSUES, INF

Vienna PROFIL in German 18 Jul 83 pp 36-39

[Interview with Franz Josef Strauss, minister president of Bavaria, by Michael Siegert and Robert Singer of PROFIL: "The Austrians Would Sleep More Calmly"]

[Excerpt] PROFIL: One link between Austria and Bavaria is the Rhine-Main-Danube Canal. What is your position with respect to the objective objections to the project, such as environmental destruction and unprofitability?

Strauss: The destruction of the environment is out of the question. Here an already completed segment of the canal has been portrayed on television as a still untouched landscape which is to be sacrificed to the construction of the canal. The negative profitability calculations come from an ordering party which has an interest in preventing the construction of the canal.

PROFIL: Do you have other figures?

Strauss: All figures are speculation. The demand comes with the construction of the traffic artery. Why do they continue to build canals in northern Germany, why should canal construction be stopped in southern Germany, where we have only one large project, viz., the Rhine-Main-Danube Canal? There are massive economic interests behind this! Of course, the outlet ports Amsterdam and Rotterdam will experience a relatively higher valuation when the waterway from the Atlantic to the Black Sea, about which incidentally Goethe already dreamed, is completed. In our penultimate conversation, Kreisky confirmed to me that the Oder-Danube Canal will be built one of these days, if the Rhine-Main-Danube Canal is not completed beforehand.

PROFIL: Would this be competition?

Strauss: Both together make no sense. But the states of the CEMA at the moment do not have the financial capacity to build the Oder-Danube Canal. We will be finished in 1992 at the latest. Only 55 kilometers are left now, then everything will be over.

PROFIL: Mr. Strauss, Have you--with respect to the Ostpolitik, not stepped into the shoes of Kreisky in arranging for a billion mark credit for the GDR through your Bayerische Landesbank [Bavarian Regional Bank]? In so doing you certainly improve the relations with Honecker, but do you not fall into contra-

diction with yourself?

Strauss: That only appears to be the case.

PROFIL: How is it actually?

Strauss: Different.

PROFIL: You warned in the spring in Vienna of the gigantic credit risk of the banks. If one of the debtor states goes bankrupt, a run would develop. Are you not afraid that the Bavarians will storm their Landesbank and empty the accounts?

Strauss: If the Latin American countries simultaneously stop their payments, a number of North American banks will go bankrupt. But this topic is not relevant. I understand your question, but it is based on complete ignorance of the facts.

PROFIL: The GDR at any rate has become a weaker customer during the past few years.

Strauss: The GDR has guaranteed this security through the assignment of claims which it has vis-a-vis the FRG, such as the transit lump sum, the postal service and railway lump sum. Thus this credit is among the most secure in the world. It is after all significant that the commercial banks have complained about the fact that a bank under public law has been given the syndicate leadership and not they. They were prepared to raise still considerably more. The credit was financed on the Euromarket, at normal banking conditions. The interest rate is 6 3/4 percent, with adjustments every 6 months in conformity with market conditions. The Federation does not provide any guarantee, any interest subsidies.

PROFIL: You have always advocated a very hard line with respect to the GDR and said that the performance of any service must be paid for with a quid pro quo. What is the situation with respect to this?

Strauss: The GDR certainly does not dance to my tune. But you can proceed from the assumption that I have not thrown my principles overboard. I mention only one example: As you know, we had this regrettable case of death at the border. Already prior to that 23 people died in the course of the past few years of heart failure at the border without external action.

PROFIL: A consequence of the kinds of control there.

Strauss: Yes, perhaps a consequence of fear, of the stress situation. The presidium of the Bavarian border police reported on July 8 that conditions have changed, that the officials of the other side are friendlier, more helpful, that there has been a change in the entire atmosphere.

PROFIL: You are now going to travel to Poland. Will you meet with Honecker on the way back?

Strauss: Thus far I have not received an invitation and I have made no effort to obtain one. But I am an open person!

PROFIL: Would you in such a discussion, among other things, bring up the question of the border exchange quota of DM 25 and the age limitation for GDR pensioners travelling abroad?

Strauss: I believe any discussion of such problems in public damages the cause.

PROFIL: Mr. Strauss, could you imagine that a reunification is possible and that Honecker the German vice-chancellor?

Strauss: Do you mean to say that I should make him an offer to this effect?

PROFIL: What, do you think, would be his reply?

Strauss: He would probably believe that I have lost touch with reality.

PROFIL: Do you believe, then, that a German reunification is impossible? After all, it is written in your Constitution [Verfassung]. It was you, as you know, who through the suit against the treaties with the East before the Federal Hight Court of Justice [Bundesgerichtshof] effected that the latter renewed the order to bring about reunification.

Strauss: That is correct.

PROFIL: So how is reunification to come about?

Strauss: It can only be the result of a long historical process.

PROFIL: What would it look like?

Strauss: Poland was divided for over 150 years. The historians, to be sure, can change the past--God Almighty cannot do this!--, but they cannot predetermine the future. One can take the right steps in the right direction. And then one simply has to see whether--to quote Bismarck--God's coat is waving.

PROFIL: Do you believe that even only one of the two superpowers resigns itself to the idea of German reunification?

Strauss: The Americans desire reunification, so that one must not doubt their profession to it. That some European neighbors has mixed feelings here, I must suppose, even if in public they give different testimonies.

PROFIL: What countries do you have in mind? Eastern or Western?

Strauss: I believe that our European neighbors, including those on the democratic side, do not believe in an independent, economically dominant German national state, but in a European architecture. That, as you know, was also always our idea, to insert a reunified Germany into a European confederation of states or later into a European federal state.

PROFIL: When you are talking with statesmen of the East, do you raise the question of reunification, and what do they reply?

Strauss: I told Brezhnev that the entire European countryside would develop a great liking for the Soviet Union if the leaders in the Kremlin would be prepared for once to deal with the problem of Germany in its entirety differently than in the past.

PROFIL: What was Brezhnev's reaction?

Strauss: Nothing happened to me.

PROFIL: You have spoken of a turn in German foreign policy. Will the FRG support the racist regime in South Africa or Latin American military dictatorships like Chile?

Strauss: Both are out of the question. One ought to take the world as it is.

PROFIL: With respect to policy in the Middle East, you have declared that you are against a Palestinian state on the West Bank. In so doing you are in gross contradiction to the EEC declaration in Venice.

Strauss: It means absolutely nothing! It is purely a propaganda formula to calm all minds, without genuine substance. This three-point formula: The right of Israel to live in recognized and secure borders--wonderful, I am completely in favor! The right of the Palestinians to self-determination--what does that mean?--, I am in favor of that, too. And the renunciation of force by all parties to the conflict, secured by agreement--yes, wonderful, everybody is for it. Why does nothing come of it if all are in favor?

PROFIL: Because those who are affected are not in favor.

Strauss: Yes, there we have already arrived at the first perception that one cannot disseminate senseless phrases without taking into account the realities prevailing there. In a pacified environment, military geography plays no role, for example among the democracies of Europe. Militarily the situation of Tyrol would be hopeless: In the north the Germans, in the south the Italians--if the tanks from Bavaria march from north to south and the Italian tanks from south to north, then Tyrol will be lost within an hour.

PROFIL: Do you remember Andreas Hofer?

Strauss: That is not likely to play a role here. I am saying this only ironically! Anyone who today still speaks of the possibility of an armed conflict in connection with Tyrol, does not go to jail but into an insane asylum. That kind of thing simply does not happen anymore.

PROFIL: Your word in God's ear.

Strauss: The thinking in military categories does not play any role at all anymore among the democracies. Just as little as the question of the military weakness or strength of Switzerland. In which case with respect to Switzerland I am talking more of military strength than of military weakness.

PROFIL: And with respect to Austria?

Strauss: The Austrians have done less for their defense than the Swiss. But no one in the West has a bone to pick with the Austrians!

PROFIL: Mr. Strauss, listening to you one gets the impression that you study foreign policy very intensively; you are taking the initiative, you travel a great deal--are you preparing yourself for the post of foreign minister?

Strauss: The question does not arise in this connection because I have always traveled a lot.

PROFIL: It is conspicuous that Foreign Minister Genscher plays no role in the GDR credit.

Strauss: It is not the foreign minister who is responsible for inner-German relations, but the federal chancellor, and instructed by him, his state minister Jenninger.

PROFIL: One hears again and again from you that you do not put a high estimate on the survival chances of the FDP. You spoke about a 3 percent party, which needs loan votes in order to get over the 5 percent hurdle. So you would have to reckon with the possibility that the FDP will suffer a collapse.

Strauss: I do not speculate on the collapse of the FDP, I am only making the sober observation that in all elections in which the voter has only one vote the FDP has remained far under 5 percent. We will now see further what this year is the case in Hesse, what is the case in Bremen, and what is the case in Baden-Wuerttemberg next year. I am not basing any speculations of a general political or private and personal nature, but the correctness of this statement of facts, after all, cannot be called into question by anyone.

PROFIL: As a politician, I would prepare myself nevertheless for the eventuality that the FDP suffers a collapse as a result of the continued defeats in Landtag [provincial diet] elections. Possibly there will also be a law suit against the No 2 man in the FDP, Minister for Economics Lambsdorff, who is involved in a corruption case and perhaps will have to retire from politics. This means that something might happen to the FDP still before the new elections to the Bundestag [federal diet] which would then require the formation of a new government. Then the question arises whether it will not become necessary to look for a new foreign minister.

Strauss: Now you already have had to use 5 minutes in order to enumerate all hypotheses! But you can be sure that we will not have to hold long-winded deliberations.

PROFIL: You would immediately have a name for the foreign minister?

Strauss: I do not think about it.

PROFIL: What do you expect from the Geneva negotiations? You, after all, were one of the first who said that they do not believe in a zero solution in regard to the medium-range missiles.

Strauss: I do not believe in it today either.

PROFIL: What will come from them?

Strauss: Yes, that we will see. The zero solution was proclaimed in complete misunderstanding of the Soviet strategy and mentality. By the way, it comes from the German Foreign Office in Bonn. For the sake of politeness, the Americans then took it over--whether they really believed in it I do not know.

PROFIL: Previously you have always said that the zero solution comes from Schmidt.

Strauss: The zero solution is the invention of a German diplomat, taken over by Genscher, suggested by Genscher to Mr. Schmidt, suggested by Schmidt to the Americans, because he believed in so doing to overcome his difficulties with respect to domestic policy. Then they lived for many months in their imaginary paradise of the zero solution. That the Soviets will destroy their 250 missile systems, which they have built with an expenditure of about 30 billion rubles, down to the last system, this view I could not share. Vis-a-vis the Americans, I have described it as unattainable, you know. A few days after I made that statement there was no one left who continued to advocate the zero solution. President Reagan gave it up, and in Bonn it was abandoned. As a dream goal, yes, wonderful, I would immediately put my signature to it, but that takes two. I said, if the zero solution is not possible, then follow-up armament at the lowest possible level.

PROFIL: So there will be a follow-up armament?

Strauss: There will be one, in whatever dimension. During Kohl's visit in Moscow, the Soviets showed an interest in coming to an agreement on a medium-term basis, but medium-term does not mean by December of this year, but in 4, 5 or 6 years.

PROFIL: Do you regard a nuclear war as winnable?

Strauss: I am firmly convinced that there will be no nuclear war.

PROFIL: And if it would come?

Strauss: It will not come. There is no room left in Europe for war.

PROFIL: Would there be a victor?

Strauss: That I cannot judge. But a nuclear war, which would be conducted with all the means of technology, would certainly largely destroy the culture and civilization of the northern hemisphere of mankind.

PROFIL: Can the follow-up armament be pushed through against the resistance of the peace movement and the SPD?

Strauss: I am proceeding from the assumption that decisions of a democratic government, supported by a democratically elected parliament, arrived at in legally unobjectionable form, must be carried out. If this were not so, there

would be no federal armed forces today, there would be no nuclear weapons carriers in the federal armed forces. The first controversy was carried out at the beginning of the 1950's, the second at the end of the 1950's. Then your countrymen would sleep considerably more restlessly.

PROFIL: If you had had your way at that time, there would already be atomic weapons in the hands of the federal armed forces.

Strauss: I was in favor of the introduction of nuclear weapons carriers in the federal armed forces. And they have been introduced. How do you come to the assertion that I requested German nuclear explosives?

PROFIL: Was this not the case?

Strauss: That is again a completely false assertion, one of these innumerable cliché assertions which are made up by someone and broadcast and then are repeated to the point of idiocy! Tell me, if you will, where and when and how! And so you are again already at the end, is that not so?

PROFIL: I read it at one time.

Strauss: If you believe everything you have read at one time or another, you better stay with Grimm's Fairy Tales.

PROFIL: The Federal Government is looking forward to this fall with mixed feelings. Your party colleague Zimmermann wants to tighten the demonstration law. Will democratic rights not be limited in so doing?

Strauss: Do you believe that the legal situation in the FRG prior to 1970, that is before the loosening of the breach of the peace paragraph to the point of uselessness, gives you the right to assert that the FRG at that time was not a Rechtsstaat [state in which the rule of law prevails]?

PROFIL: According to the new law it could come to the point that in a demonstration, where 10 people kick up a row and 1,000 behave peacefully, the 1,000 are held responsible for what the 10 have done.

Strauss: I say it again. Was the situation prior to the change in the law on demonstrations undemocratic, was the Federal Republic not a Rechtsstaat? And what is the situation in your country? We are a little bit sensitive here, we do not let foreigners constantly dictate to us how we should behave. So take care of your own shop back home!

PROFIL: Mr. Strauss, the Germans were optimistic for a while, but the most recent economic prognoses call for merely a half a percent of growth for this year. Where is the turn in the economy?

Strauss: There has been a change in the trend, the change in the economic sector has been introduced, but is by far not completed. Thirteen years of mismanagement wrong fiscal development can neither be overcome in 13 weeks nor in 13 months.

PROFIL: In the United States a certain growth once again exists now, but that has not yet had an effect on Germany. Are you not afraid that a continued high interest policy by the United States prevents such joint development?

Strauss: I find that magnificent! For years the majority of international journalists have proclaimed the failure of Reagan's economic policy. I am very glad to hear from you that things are now visibly improving in America, that the Reagan policy is proving its worth. Only Reagan has now been in office for almost 4 years!

PROFIL: Would you want to bring about an upswing in Germany with Reagan's economy-minded policy?

Strauss: To do nothing but save does not make sense! For example, saving in the sphere of public investment is counterproductive. In this sphere the Federal Government should not curtail expenditures, say in the construction of highways. But saving measures with respect to maternity money, too, must be very carefully considered; otherwise the shot goes off in the wrong direction.

PROFIL: DER SPIEGEL describes the economic policy of the current government as prosperity for the majority at the expense of a poorer minority.

Strauss: That means, it raises the accusation that the Federal Government favors Mr. Augstein, but not the doorkeeper of DER SPIEGEL! (laughs).

8970

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## GREEK 'LOVE-HATE' RELATIONSHIP WITH U.S. ANALYZED

Paris LE MONDE in French 24-25 Jul 83 p 5

[Article by Marc Marceau: "Athens: Conjugal Quarrels, No Divorce"]

[Text] Athens--"Yankees go home!" "Out with the Americans!" These little posters hang everywhere in a capital baked by the sun. The walls of universities and higher institutions of learning are disfigured by signs, large and small, mimeographed pamphlets and graffiti demanding the closing of the bases, the departure from NATO and a reversal of alliances. Caricatures and drawings, brief echoes and long articles, all subject the United States to public condemnation. Similarly, in rural areas, in factories, offices, cafe terrasses and the intellectual salons of the "cafe society," the Americans are the center of attention and discussion. A sullen "Amerikani" has succeeded the friendly diminutive "Amerikanaki" of yesteryear. Nevertheless, these are only passing disturbances in an immutable course.

A new agreement on the bases has just been signed and Greece and the United States are embarking on a closer cooperation. This will not prevent some Greeks from demanding the departure of the Americans: they have been doing it for 36 years.

The tone was provided as soon as the first U.S. missions disembarked; at the beginning of 1947 two Athenian newspapers of the right demanded at the time that the new protectors depart. The Cyprus issue had not yet emerged, there was no mention of NATO, of Turkish pressure in the Aegean region, of atomic weapons or missiles. Besides the wish for independence characterizing all Greeks, these two papers were expressing the refusal to admit a different life style and the hatred of those who had trouble in accepting to go from the homburg hat and the rolled umbrella to blue jeans and T-shirts.

At this juncture, it should be noted that in the British view, Americans in Greece were only there as "sub-tenants." Compelled to appeal to the United States, Britain was surely counting on regaining, one day or the other, the primary role on the Hellenic political and social scene. Once this is said, it would be hazardous to state that the British facilitated the Americans' first steps under the Attica sky.

On the other hand, looking at Europe from the perspective of the City of London, the Greeks showed themselves more than reticent vis-a-vis the Americans.

### The Modern Barbarians

These modern oligarchs made no attempt to hide the low esteem in which they held U.S. diplomats, the military and the experts who did not "even possess" an Oxford accent.

It must be said, of course, that for their part, full of good intentions but marked by their systematic spirit and not inclined to compromise, the Americans were convinced that the problems in Greece could be solved expeditiously and forcefully. Their bumbling and annoying interventions in domestic affairs, their "imperviousness" to the Greek mentality opened a big gap, especially since the intelligentsia was grimacing at the customs of these modern barbarians... Thus it was that the privileged classes found themselves in tune with a "leftist population" enamored with freedom and firmly resolved to fight the "new occupation."

The meeting of these contradictory forces deepened the initial misunderstanding: the Americans were giving the impression--actually wrong--that they considered the Greeks solely as mouths to be fed and soldiers to be equipped.

At the time of their installation in the country, Bible in one hand and checkbook in the other, they were scalded by some sons of Ulysses and only granted their ally a restricted and punctilious economic aid. The same was true with military assistance: only when the "democratic" army was threatening to "liberate" Salonica did the Pentagon open its purse strings and grant the Greek military the massive assistance they needed.

In 1950, to be sure, the Americans had alleviated Greek poverty and they had certainly prevented them from being turned into a "people's republic." However, they had been unable to create a climate favorable to their interests and ever since 1951 the Soviets have unremittingly exploited the bitterness that had developed towards them.

Moscow's game was made easier by the interminable Cypriot crisis. Indeed, Greek public opinion has never ceased to doubt American intentions.

### Better Understanding

Greeks deplore the fact that whenever their pressing interests conflict with the privileged relations uniting the United States and Turkey, U.S. diplomacy has inevitably favored Ankara's side. Additionally, they have resented the too-flagrant U.S. interventions: for instance, the support given the right, the fall of Georgios Papandreu in 1965, the colonels' putsch in 1967, the Cyprus trap in 1974.

On a different level, the persistence of this unfavorable climate vis-a-vis the Americans was facilitated by the fact that the United States does not occupy, in the Greeks' collective memory, a place comparable to that of Turkey, Russia, Britain, France and Italy. To be sure, Greeks were not forgetting the generous U.S. aid at the time of the Asia Minor disaster in 1922 or during the two world wars. Nevertheless, they have been unable to gauge all that was represented by the young and gigantic American power.

Today, pulled by a flourishing and dynamic community numbering more than 3 million persons in the United States (more than one-fourth of the Greek population), the majority of the Greeks have modified their attitude towards the Americans.

This evolution was accelerated by a more understanding stance adopted by the United States itself. Americans have understood that even if still devoted to an understandably Mediterranean "dolce vita" life style, the Greeks are resolutely engaged on the road to economic and social development and that the great majority among them are favorable to Washington.

Finally, the U.S. "presence" has greatly influenced the Greeks in all domains, and principally among the young. The feeling of inferiority in the economic and military fields and of superiority in the intellectual sphere awaken a sort of attraction-repulsion vis-a-vis the Americans. Nevertheless, relations between the two countries will henceforth be based on this "conjugal syndrome" which incites couples to quarrel and speak of divorce, when they full well know that neither one will abandon ship.

CSO: 3519/579

## WILLOCH SPEAKS OUT ON EUROMISSILES, ECONOMY, COALITION

Oslo AFTENPOSTEN in Norwegian 16 Jul 83 p 3

[Interview by Teije Slabø: "Prime Minister in AFTENPOSTEN Interview: The Labor Party's Policy Will Produce Mass Unemployment"]

[Text] The Labor Party's economic policy will lead to mass unemployment in the longer term. It seems as though the party is building on theories from the interbellum period, Prime Minister Kåre Willoch points out in a conversation with AFTENPOSTEN. The prime minister announces a Storting report on the "industry scandals" at Tofte/Emden. Regarding individual aspects of the Labor Party's security policy, Willoch emphasizes that they would have been almost unthinkable as a government policy in Norway.

These days the prime minister is winding up his vacation at his cottage in Homborsund, but has constant contact with his office in Oslo in order to follow current affairs. AFTENPOSTEN met him at home on Blokkaveien after the workday ended for a summer talk regarding some of the tasks the government leader is now faced with. Prime Minister Willoch had declared earlier that the most important thing now is to ensure full employment and the question becomes how this can be achieved in light of today's unemployment figure.

#### Dramatic Weakening

"We must take as a point of departure the fact that the cost level in Norway in the 1970's grew almost 30 percent more than in the countries we compete with. This involved a dramatic weakening of the Norwegian ability to compete, but many concerns managed to operate some time longer with the help of accumulated reserves and because of quite big public subsidy measures. In other words, the problems were put off by the intense use of oil money."

"At the same time, however, inflation became worse and worse and it could no longer be of use to postpone the problems by means of constantly more oil money, especially after oil revenues stopped growing. The Labor Party headed the country into a situation which had to end with unemployment."

"On the part of the Conservative Party this had been emphasized in the 1981 election campaign, by, among others, yours truly, who pointed out that the inflation policy

undermined jobs so that unemployment had to be the result. A main objective of the present government is therefore to limit the increase in expenses and inflation in order to limit unemployment. We cannot do this without limiting public expenditures. The Labor Party, too, has acknowledged that it is not possible to prevent a rise in prices in the long run by means of public price controls. Its policy ended, of course, in record inflation."

#### Mass Unemployment

[Question] The Labor Party has proposed economic alternatives which the party believes will result in far fewer unemployed than the situation is now, has it not?

[Answer] The Labor Party's economic policy will result in mass unemployment in the longer term. The opposition party is gambling on a heavy increase in public expenditures, which can indeed result in more jobs in the short term, but also would result in heavier inflation and weaker competitiveness. The consequence will be a still more difficult situation for those concerns which are competing with concerns abroad and will after some time result in new losses of tens of thousands of jobs.

I must recall that the Labor Party's way of thinking has been tried by other countries with very dismal results. It appears as though the Labor Party is building on theories from the interbellum period, which unfortunately are no longer usable.

#### Decisive

[Question] What then does the government plan to do in order to bring unemployment down?

[Answer] Working for limiting the increase in costs and for increasing efficiency, and for finding new products which can be sold is decisive in the longer term. The government has also carried out a number of measures which have reduced unemployment in the short term and which will have a stronger effect well into the fall. Important measures are temporary jobs and more training positions, both in schools and the work world.

There is, however, reason to emphasize that shortterm employment measures do not imply any lasting solutions and they are of course expensive. A lasting solution is achieved only by carrying out a consistent policy which lays the foundation for aiming for a competitive industrial economy.

#### Subsidies in the Billions

[Question] The State has up through the years used billions on subsidizing industrial enterprises which nevertheless have overwhelming problems. What conclusions can be drawn from, for one thing, this report which has been produced regarding the Tofte/Emden projects?

[Answer] On the basis of this analysis the government will produce a Storting report. We hope that it can be produced in the Storting's fall session. It is

necessary that we, with a view toward the future, draw a lesson from these two industrial financial commitments from the Labor Party's administration, where the State wound up in two extensive bankruptcies and suffered gigantic losses.

Tofte/Emden, then, shows decidedly the weaknesses in the Labor Party's policy. It is noteworthy that the party continues to refuse completely to see what happens when the State enters into industrial financial commitments and contributes to the pulverization of responsibility. The projects have been an expensive representation of the Labor Party's ideology, at the expense of all Norwegians.

#### The Three-Party Government

[Question] Why was it necessary to take the step of broadening the government as long as the Conservative team managed the tasks alone?

[Answer] The Conservative Party's offer of a three-party government has stood open entirely since the 1981 election. It was a matter of course, when the Christian People's Party and the Center Party announced their interest in joining the government, that it was followed up on our part.

There are of course certain work-related advantages with a one-party government, but the government became aware of increasing problems with regard to getting things through in the Storting. Cooperation with the in-between parties is necessary in order to get things through, and when the other two non-socialist parties were no longer satisfied with the cooperation model it had to come to a new solution.

We must constantly remember that the Conservative Party does not have more than 53 of the Storting's 155 representatives and that the Conservative Party therefore gets little done without support from other parties. It is our obligation to contribute to a cooperation basis which gives a majority for reasonable solutions, although they are not precisely as they would have been if the Conservative Party had had a majority.

#### Tax Relief

[Question] In connection with the remodeling of the government doubt has been sown whether in the coming year personal tax relief will be carried through. Can you guarantee such relief?

[Answer] Yes.

[Question] A good month has passed since the reformation of the government. Do you note tendencies toward solo plays by individual cabinet ministers?

[Answer] All members of the government are disposed to team play and we have of course discussed how this is to take place. But for department cabinet ministers in individual cases there can be a difficult balancing between whether to express one's opinion to the press or to not answer the question. I am counting on that it will go well.

[Question] Could the Labor Party have carried out its present security policy if the party had had the power of government?

Unthinkable

[Answer] Individual parts of the Labor Party's new security policy proposals are almost unthinkable as a government policy in a NATO country like ours. The opposition to earlier unified guidelines for NATO work would in the government position have had even greater harmful effects for NATO's possibilities for gaining ground during the arms reduction talks with the Soviet Union. If the Labor Party's proposals had come from the government position they would have created stronger doubts regarding whether NATO is in a position to carry through unified resolutions. Any doubt regarding whether a country will keep an agreement is especially dangerous in a defense alliance.

The alliance's ability to prevent war is indeed based on the fact that the Soviet Union counts on the fact that the NATO countries will keep their agreement regarding standing together. If the Soviet Union's maneuvers get the NATO countries to fight among one another, the Soviet Union will be tempted to just come with propaganda offers in the talks in order to create a splitting disagreement in the West.

Little Value

Without any special address, I would like to have it also pointed out that there is little value in declaring NATO membership if one does not take part in making the cooperation effective. Effective cooperation implies, for one thing, that one will take part in following the guidelines agreed upon. A good number of politicians on the Left display unnecessarily strong interest in amplifying the clashes between the U.S. and Europe. Constructive criticism and discussion are beneficial, but casting suspicion and unilateral amplification of clashes do not serve an alliance which is dependent on solidarity, Prime Minister Kåre Willoch stresses.

8985

CSO: 3639/142

## POLL SHOWS STABLE SUPPORT FOR COALITION PARTIES

Oslo AFTENPOSTEN in Norwegian 16 Jul 83 p 3

[Article by Eivind G. Karlsen: "Gallup's Political Barometer: Conservative Party Absolutely Stable; Labor Party Slipping?"]

[Excerpts] Calm and stability continue to be the predominant feature of the political Gallup picture. The June barometer from Norges Markedsdata [Norwegian Market Data, Inc.] indeed shows that the Labor Party's support is about one percent higher than in May--38.6 percent now. The Center Party seems to be in a slightly upward trend from the 6 percent mark, while the Christian People's Party is "swinging" around 8 percent.

Their entry into the government with the Conservative Party has evidently not caused voters to move in any direction. The Conservative Party's own support appears to be extremely stable: between 30 and 31 percent.

The increasing support for the Labor Party can indeed be the start of an advance. But, as the figures show, new polls will first be able to give grounds for this assumption. Gro Harlem Brundtland's party is still not very much above the support in the 1981 Storting election. In party circles greater weight will probably be placed on the fact that the June Gallup poll shows an almost 2.5 percent increase as compared with the 1979 county board election. But then the Labor Party was all the way down to 36.2 percent. The municipal election result was even somewhat poorer.

The Socialist Left Party appears to be staying "permanently" at about 5 percent. The Red Election Alliance has reached 1 percent, as the only one of the "mini-parties."

The three government parties have, according to Norges Markedsdata's barometer, still total support of 45 percent and the stability is great in this respect, too. However, the progress noted for the Labor Party brings the socialist grouping quite close, for in June they have 44.9 percent together.

As far as the in-between parties are concerned, it can appear that the Center Party, headed by its leader Minister of Transport and Communications Johan J. Jakobsen, is in a positive trend. Only later opinion polls will be able to confirm whether

and to what extent participation in the government spreads. The Christian People's Party and its leaders, cabinet ministers Kåre Kristiansen and Kjell Magne Bondevik, seem for the time being to be remaining stable at around 8-percent support, probably a little above this level.

Otherwise it can be seen that the Progressive Party has support on the average of just over 5 percent, while the Liberal Party, on the other hand, is about 1 percent lower.

<u>Party</u>	<u>Sept</u> <u>1977</u> <u>Stor-</u> <u>ting</u> <u>elec-</u> <u>tion</u>	<u>Sept</u> <u>1979</u> <u>county</u> <u>board</u> <u>elec-</u> <u>tion</u>	<u>Sept</u> <u>1981</u> <u>Stor-</u> <u>ting</u> <u>elec-</u> <u>tion</u>	<u>Feb</u> <u>1982</u>	<u>Aug</u> <u>1982</u>	<u>Dec</u> <u>1982</u>	<u>Feb</u> <u>1983</u>	<u>May</u> <u>1983</u>	<u>June</u> <u>1983</u>
Red Elec- tion Alliance	0.6	0.8	0.7	0.9	0.6	0.7	0.7	0.6	1.0
Labor Party	42.3	36.2	37.1	38.6	39.8	39.9	37.8	37.5	38.6
Norwegian Communist Party	0.4	-	0.3	0.3	0.5	0.1	0.3	0.2	0.3
Socialist Left	4.2	4.4	5.0	5.3	4.9	5.1	5.1	5.1	5.0
	47.5	41.4	43.1	45.1	45.8	45.8	43.9	43.4	44.9
Progressive	1.9	2.5	4.5	5.4	5.1	6.0	5.4	5.9	5.4
DLF	1.4	1.2	0.6	0.3	0.5	0.4	0.4	0.5	0.4
Conservative	24.8	29.7	31.8	29.2	29.8	29.3	30.5	30.5	30.4
Christian People's	12.4	10.1	9.3	9.0	7.7	8.5	8.9	8.7	8.0
Center	8.6	8.6	6.6	6.2	6.1	5.7	6.0	6.4	6.6
Liberal	3.2	5.3	3.9	4.4	4.5	4.1	4.3	4.2	4.0
Others	0.2	0.6	0.2	0.3	0.5	0.2	0.6	0.4	0.3
Total	100.1	99.4	100.0	99.9	100.0	100.0	100.0	100.0	100.0

[Table continued on following page]

Answers  
regarding  
party  
prefer-  
ence

1166 1044 1141 1134 1132 1135

Total number  
interviewed

1358 1281 1388 1345 1376 1320

The barometer results from the fact that each party has been weighed against the 1981 Storting election. Computed statistical error limits can be of an order of magnitude of 3 percent for vote percentages near 50 percent, about 2 percent for vote percentages of 10 to 20 percent, and near 1 percent for lower vote percentages. The interview work was conducted during the period of 6 to 30 June 1983.

Oslo, 16 July 1983  
Norges Markedsdata A/S

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## PAPER COMMENTS ON IMPLICATIONS OF POLL FOR COALITION

Oslo AFTENPOSTEN in Norwegian 16 Jul 83 p 2

[Editorial: "Political Stability"]

[Text] New opinion polls from, respectively, Norges Markedsdata [Norwegian Market Data, Inc.] and the Norwegian Opinion Institute (NOI) confirm the impression of remarkable stability in the political balance of power. This is especially true of the two main opponents, the Labor Party and the Conservative Party, which are at about the same level as in the fall 1981 Storting election.

According to the June polls it appears as though the Labor Party is on an upward curve but anyway it is too early to draw definite conclusions in this respect. A better basis will be obtained when the next polls come before the municipal election. On NOI's political barometer the Labor Party is somewhat under the Storting election result--on Norges Markedsdata's the rating for June is 1.5 percent over. While NOI has support of 31.8 for the Conservative Party, the same as in the election, Norges Markedsdata can report 30.4 percent for the same party.

As far as the relative strength between the two blocs is concerned, the socialist parties together have a slightly rising trend, but according to the polls of both institutes the three government parties, the Conservative, Christian People's and Center, have greater support than the Labor Party and Socialist Left Party. However, here it is so close that just small shifts between the parties can upset this situation.

The most interesting thing in the June polls, which as far as both are concerned were taken after the reformation of the government, is the changed figures for the Christian People's Party and the Center Party after the two parties came into governing status together with the Conservative Party. That this occurrence would produce certain changes in the figures had been expected. But the picture is not unambiguous and from the figures available hitherto it is impossible to draw as drastic conclusions as the inclination has been to do in some quarters.

On NOI's political barometer for June the Center Party is indeed down to 5.9 percent, which is the party's lowest rating in this institute's polls. But anyway this is not any definite low level. As will perhaps be remembered, the Center Party had dropped down to somewhat over 4 percent in the Market and Media Institute's poll in October 1982 and poor Johan J. Jakobsen was asked the question of

what his party now had thought up. At that time, as we know, the Center Party was out of the government. However, a month later they were up at the customary level, i.e., around 6 percent, and it is here that the party still finds itself. If the figures from Norges Markedsdata are studied, an increasing trend can actually be recorded for Jakobsen's party—with support of 6.6 percent in June against, for example, 5.7 percent in December of last year.

As far as the Christian People's Party is concerned, the third of the government parties, a marked change in ratings was got in connection with the national congress in April, something which in the opinion of most must be attributed to the uncertainty which then prevailed regarding the party's stand on the government question. On the basis of a single poll it is of course impossible to say whether the Christian People's Party loses or wins by taking part in the government. But it is certain that this party has been through a difficult process and the media picture which has been created of the Christian People's Party's behavior and attitude in this connection has not exactly contributed to making the situation easier.

We have reason to believe that increasingly more of the Christian People's Party's voters will acknowledge that it was right of the party to take government responsibility in a difficult situation. The time to come will most probably come to confirm that the Christian People's Party will know how to stress its integrity as the Christian ideals party and in addition contribute constructively to the solution of the big and urgent problems our country faces. It would surprise us a great deal if this responsible attitude on the party's part should be "rewarded" with declining voter support. And the same is true for the Center Party, of course.

We will get the answer in the election in September. Then we will be spared from speculating.

8985

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## PRESIDENT'S AWARD TO SARAIVA DE CARVALHO CRITICIZED

Lisbon O DIA in Portuguese 8 Jul 83 p 1

[Editorial: "Reward or Censure?"]

[Text] All Portuguese citizens will certainly recall that brief but decisive moment which marked the beginning of the triumph of Ramalho Eanes in the first presidential elections under the new regime. When an interviewer asked the candidate what he would do if Otelo Saraiva de Carvalho were elected, Eanes, calm, serious, imperturbable and unhesitating, answered: "There would be nothing left for me but to take my family and emigrate."

If one could have heard the giant chorus of applause which erupted from the northern to the southern parts of the country, and had it been possible to see the emotion reflected on the faces of the millions of televiewers, no one, as of that time, would have had any doubt about the inevitable result of the approaching election.

Eanes would have had no need to emigrate to flee the unchecked demagoguery, general lack of discipline, and delirious and insolent despotism.

Time has passed. Eanes continues to be enthroned in Belem and is scheduled to present the Order of Freedom to Otelo tomorrow!

What deeply buried reasons could have impelled the president to present an award to the feared individual who might have embarked him on the uncertain path of exile? Neither Salazar nor Caetano ever gave rise to the possibility of such an awful future in the mind of the brave young military officer.

Does the solemn ceremony tomorrow represent a public reward or a public reproof?

It was in the revolutionary days that one individual synthesized the cry of human disillusionment in the face of injustice in crystal-clear fashion: "Liberty, liberty, how many crimes are committed in your name!"

History may repeat itself, even when least expected.

## SOARES FACTION WINS ADDITIONAL CONGRESS DELEGATES

## First Gains

Lisbon DIARIO DE LISBOA in Portuguese 6 Jul 83 p 24

[Text] The provisional results of the elections to choose the delegates to the next congress of the PS [Socialist Party] gave the subscribers to the motion by Mario Soares 652 places (78.2 percent) as of yesterday, a spokesman for the Organization Commission for the Congress (COC) has reported.

The same source said that the results in about 30 municipalities have yet to be counted, which would not in any case serve to change the likelihood that the document submitted by the secretary general of the PS will triumph.

According to the report of the COC, 652 of the 833 delegates already elected (78.2 percent) were elected on the "Holding the Course, Dealing With the Crisis" motion (Mario Soares), 134 (16 percent) on the "Defense of the Socialist Project" motion (Antonio Guterres), 25 (3 percent) on the "Socialist Project--A Reason for Hope" motion (Manuel dos Santos), 10 (1.2 percent) on the Labor Left motion (Marcelo Curto), six (0.7 percent) on the "Preparing a New Society" motion (Jorge Vicente), three (0.3 percent) on the "Self-Management and Socialism" motion (Jose Leitao), while there were also three delegates elected on the "A Revolution To Be Carried Out Within the Party" motion (Joao Gomes).

According to these provisional results, the Mario Soares motion failed to win only in the district of Vila Real, where it carried seven delegates as against nine for the motion by Antonio Guterres. However, the results are not in from two municipalities there.

On the other hand, the difference between these two motions was only one delegate in Braga and Faro (16-15 and 14-13, respectively), and in these districts too, the results are not yet in for one municipality.

The motion by the socialist secretary general elected all of the representatives in the Azores (21 delegates) and in Guarda (17 delegates).

In the districts in which the results are now definitive, the positions of the Mario Soares and Antonio Guterres motions were as follows: Aveiro 28-19 delegates, Beja 16-2, Coimbra 27-10, Portalegre 29-1, Santarem 26-2, Viana do Castelo 13-2, Madeira 8-7 and West Regional Federation 12-2.

Unlike the other districts, the votes in Viseu went to the Mario Soares (16 delegates) and Jorge Vicente (6) motions.

Final results were also lacking in the districts of Braganca (five municipalities), Castelo Branco (two), Leiria (five), Lisbon (four), Oporto (nine), Setubal (six) and Evora (one).

About 1,000 elected delegates and 215 already qualified will attend the next congress of the PS, scheduled to be held on 30 September and 1 and 2 October.

#### Gains Continue

Lisbon DIARIO DE LISBOA in Portuguese 7 Jul 83 p 6

[Excerpt] The number of delegates to the Fifth Congress of the PS elected on the basis of the Mario Soares motion has increased to 697, while the Antonio Guterres document has won a total of 135.

The Labor Left motion, with Marcelo Curto as its main sponsor, now has 20 delegates, and the "Socialist Project--A Reason for Hope" motion by former deputy Antonio dos Santos has achieved a total of 26 supporters, while the motion of Jose Leitao has won three, as has that of Joao Gomes--"A Revolution To Be Carried Out Within the Party."

5157

CSO: 3542/170

## OPENING OF BANKING TO PRIVATE ENTERPRISE CRITICIZED

Lisbon AVANTE! in Portuguese 7 Jul 83 p 14

[Editorial: "The Marvels of Private Banking"]

[Text] He was a leading supporter of the candidacy of Soares Carneiro and also, by a curious coincidence, he is the regular RTP [Portuguese Radio-Television System] commentator on economic matters. For this reason, everyone, or almost everyone, regards him as an economist. He is not that, but he acts like one. There at the RTP the important thing for discussing economics is not being an economist, but saying the desired thing.

Therefore Mr Cabral appeared on the Telejornal program to discuss the opening up of the banking sector to private enterprise, an outrage which the PS [Socialist Party] has already launched, with the complicity of the PPD [Popular Democratic Party]. One who watches this fellow speaking in a peremptory tone (he is a little fellow, but made to seem more impressive by the cameras) might be inclined to take him seriously. Not, however, one who listens to him, unless the listener is a devout reader of the most reactionary newspapers published hereabouts.

For to judge from what Mr Cabral says, the advent of private banking offers only advantages. There will not even be any risk of unemployment. And then, you see, we will have the advantages of free competition among the various banks, to see which will exploit the public least, which will give least support to the powerful interests and will benefit the little man the most. As to the fear that the private banks, if such exist in the future, will overwhelm the present nationalized banking system, Cabral sees no justification.

He sees none, but he should, not just because he represents himself as an economist, but because he could well, at the very least, learn something about the matter from the workers in the sector. In fact, not even the bank workers in the UGT [General Union of Workers], which at present dominates the trade unions in the South and the Center, dare to maintain publicly that if private banking were to exist, it would not affect the present banking sector. For they are well aware that the nationalized banking sector bears the heavy burdens which are still its legacy from banking in the fascist era, and that a brand new banking sector if created now will not have that burden. And this is not to mention the "public service" which the banking sector has provided since 1975, to which private bankers will not agree.

If Cabral does not know, let him ask. There is no shame in learning something. What is shameful is to lie to the public deliberately.

## PROTEST AGAINST PRICE RISE BY FARMERS REPORTED

Oporto 0 PRIMEIRO DE JANEIRO in Portuguese 7 Jul 83 p 1

[Excerpt] The recent government measures, in particular the increase in the prices of fertilizers and animal feed, are creating increasing unease among farmers, who indicate that they are prepared to take "harder" positions if their demands do not receive a hearing.

At a meeting of associations of farmers from all over the country, the CAP [Portuguese Farmers Association] criticized the recent increases, stating that the government does not understand that domestic agriculture cannot tolerate "such a harsh increase in its costs without drastic production breakdowns."

The Portuguese Farmers Association believes that "the government has launched its economic policy in the worst way," and it proposes a complex of urgent measures to offset the effects of the price increases on fertilizers, animal feeds and fuel.

The secretary general of the CAP, Jose Manuel Casqueiro, maintains that these increases are designed to eliminate subsidies for agriculture, which should have been done over a period of a number of years. In the view of the CAP, increases of more than 65 percent both for feed and fertilizers will lead to "extremely large production breakdowns, with effects lasting for a number of years."

5157

CSO: 3542/170

## BRIEFS

FRENCH REPORTS TERMED FALSE--The report published in the periodical JEUNE AFRIQUE to the effect that both the Azores and the Canary Islands were used as stops for American planes carrying weapons to Chad had its origin with the French secret service, according to what O JORNAL learned from a well-informed source. Paris would thus have been seeking to appear to be "keeping up" with its efforts to support President Hissein Habre. Moreover, Paris would hope this effort would be understood by such countries as Algiers, whose airspace French planes loaded with weapons for Ndjamena would have to cross. The report carried by JEUNE AFRIQUE in its issue on the 13th of this month explained that large Lockheed 382 airplanes belonging to the Transamerica and Heavylift companies, commercially affiliated with the U.S. Army, flew from New York and Miami to Ndjamena. The Portuguese Ministry of Foreign Affairs says it is unaware of any movement of aircraft in Lajes with Chad as the destination. While diplomatic efforts are oriented toward avoiding any increased internationalization of the conflict in Chad, Zaire has sent yet another contingent of 1,750 paratroopers and three Mirage aircraft to support Habre. [Text] [Lisbon O JORNAL in Portuguese 15-21 Jul 83 p 44] 5157

CSO: 3542/170

## PAPER COMMENTS ON LATEST POLL RESULTS

Stockholm DAGENS NYHETER in Swedish 10 Jul 83 p 2

[Editorial by Olof Kleberg: "Our Loyal Voters"]

[Text] Most voters are loyal to their party. This is shown by today's IMU [Institute for Market Research] survey of voter shifts since the fall of 1979. Until the 1982 election, it was the Conservatives and Social Democrats who were most faithful to their parties, whereas sympathizers with the middle parties were beginning to shift to the two big parties.

Now, following the election and its big losses, the remaining Center Party members are again "normal" in their loyalty to their party. Things are worse for the Liberal Party. The number of its voters was cut in half last fall, and nearly half of those remaining have now shifted to another party. The crisis is really serious.

According to all public opinion polls, it is the Conservatives who have made progress since the election. This party is attracting voters from (chiefly) the right, but also from the left. A minor phenomenon of direct conversions from the slightly reduced Social Democratic Party can now be spotted. That is the situation the Conservatives have been dreaming of. But so far the trend is a very weak one.

Hans Bergstrom, editor in chief of the NERIKES ALLEHANDA (liberal), argues in a research report against the idea that the Conservatives are making so much progress in the cities because of the large uninterrupted tracts of private homes that have been built there. After studying the last election in Orebro, he says that it is income, not type of residence, that determines how a person votes.

He can show that the Conservatives have won voters from the middle (chiefly from the Center Party in the cities), not from the Social Democrats.

Bergstrom criticizes a Social Democratic election analysis which claims that the Conservatives have benefited from the appearance of tracts of private homes ("the blue company towns"). But one of the authors of that analysis, Hans-Eric Holmqvist, who currently writes editorials for the VASTGOTA-DEMOKRATEN (Social Democrat), says in a commentary that the difference between those ideas is not

great. One's residence is determined by one's income, so two factors actually work together.

In his study of the 1979 election, election researcher Soren Holmberg felt that type of residence was of little importance in explaining how people voted. But he found the closest connection between the two precisely in the big city areas: Stockholm, Goteborg, and Malmo.

In those large and frequently homogeneous areas, the voters are easily swayed politically. Home ownership, with its system of loans and tax deductions, means that one is easily influenced by economic factors. Perhaps the conditions in those areas are not exactly the same as those in a medium-sized municipality like Orebro.

11798

CSO: 3650/237

## POLL MEASURES CONFIDENCE BY VOTERS IN PALME GOVERNMENT

Stockholm DAGENS NYHETER in Swedish 3 Jul 83 p 7

[Article by Sven Svensson]

[Text] Confidence in the Palme government remains unchanged. That is shown by the third DAGENS NYHETER-IMU [Institute for Market Research] survey of voter attitudes toward the government's way of doing its job. In all, 59 percent of the voters give the Palme government a passing grade, while 39.5 percent give it a failing grade.

A total of three "confidence polls" have been conducted, and they show that confidence in the Palme government is growing among socialist voters and, to some extent, among nonsocialists. The voter barometers show some decline for the Social Democrats, but those in sympathy with the Palme government are obviously the more active supporters of government policy.

#### Plus and Minus

Just over 7 percent of the socialist voters are dissatisfied with the Palme government, compared to 10 percent in the first poll. Of the nonsocialist voters, nearly 26 percent feel that the Palme government is doing its job, compared to 22 percent in the first confidence poll.

The poll was conducted between 16 May and 8 June, and the number of reported interviews totaled 886. The sample consisted of the same people who took part in the poll of voter sympathies, which was reported on last week. The confidence poll and the voter barometer are therefore comparable as measures of party strength.

In the voter poll, the socialist bloc accounted for 48 percent of those polled, the nonsocialist bloc for 45.5 percent, and the other parties for 6.5 percent.

The following question was asked:

"Do you have great confidence or little confidence in the government we now have?"

The voters were then asked to answer by naming a figure from -3 to +3 (with -3 indicating great distrust and +3 great confidence).

Among the voters as a whole, including those sympathizing with the small parties, confidence in the government rose from 58.5 percent in May to 59 percent in June. At the same time, distrust rose from 38.5 percent in May to 39.5 percent in June. The number answering "I don't know" dropped from 3 to 1.5 percent.

#### Results of Confidence Polls

<u>Result</u>	<u>June</u>	<u>May</u>	<u>April</u>
+3	13.8	12.5	11.0
+2	22.6	25.5	22.5
+1	22.6	20.5	21.1
Total	59.0	58.5	55.0
-1	12.4	13.0	15.0
-2	16.5	12.5	14.0
-3	10.6	13.0	12.5
Total	39.5	38.5	41.5

#### Difference

If we disregard the small parties and look only at the political blocs represented in Parliament, we see that the situation changes somewhat.

Of the 45.5 percent in the nonsocialist bloc, 72.5 percent feel that the Palme government is performing badly, and 25.8 percent feel that it is doing well. In the previous poll, 72 percent were dissatisfied and 24 percent were satisfied with the government.

Within the socialist bloc, 7.4 percent are dissatisfied with the Palme government, and 9.1 [as published] percent are satisfied. In the previous poll, 8 percent were dissatisfied and 87 percent were satisfied. Among Social Democratic voters, just over 6 percent are dissatisfied, while almost 96 percent are satisfied.

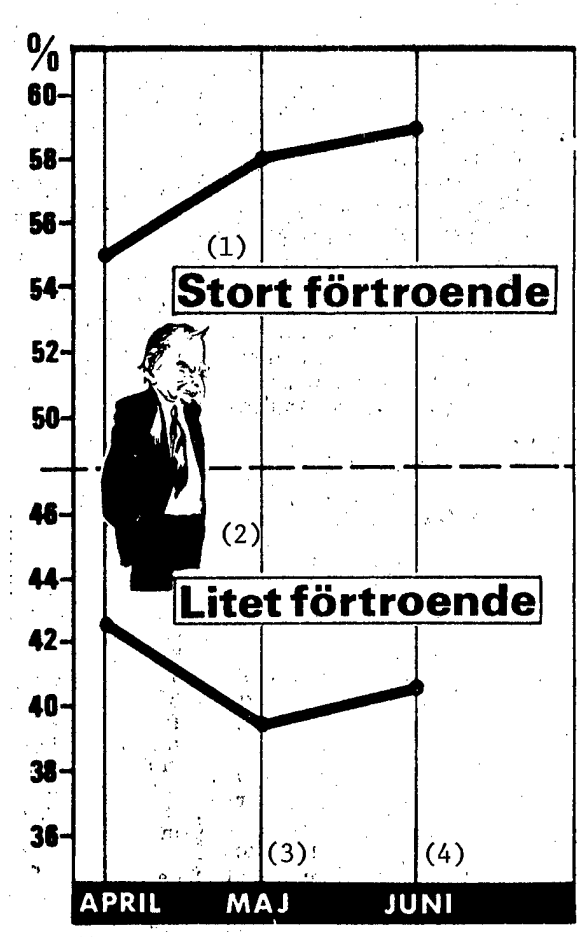
#### Small Sample

In the group represented by all other parties, 44 percent are dissatisfied and 46 percent are satisfied. This represents only a minor change in comparison with the previous poll.

By weighting each level of confidence from +3 to -3 within the electorate, it is possible to calculate a running average of confidence in the government we now have.

The confidence pendulum first stopped at +0.18 for the voters as a whole (in April) and is now at +0.32 for the second time in a row.

If we look at the degree of confidence within the political blocs, we see that confidence within the socialist bloc rose from +1.62 in April to +1.70 in May and to +1.79 in June.



Confidence in the Palme government's way of doing its job has increased this spring. In June, 59 percent of all the voters felt that the government was doing its job well, and 39.5 percent felt that it was doing a poor job. Social Democratic voters are very satisfied with "their" government.

Key:

1. Great confidence
2. Little confidence
3. May
4. June

In the nonsocialist bloc, the confidence pendulum in the first poll stood at -1.27. It now stands at -1.15 for the second time in a row.

If we look at the level of confidence in the Palme government within the individual parties, we see that it stands at 92 percent for the Social Democrats, 82 percent for the VPK [Left Party-Communists], 55 percent for "all other parties," 51 percent for the Liberal Party, 24 percent for the Center Party, and 22 percent for the Conservative Party.

In the case of the Liberal Party, the small parties, and to some extent the Center Party, the sample is too small to allow the drawing of any definite conclusions.

11798

CSO: 3650/237

## POLL INDICATES SOCIALISTS LOSING VOTERS TO CONSERVATIVES

Stockholm DAGENS NYHETER in Swedish 10 Jul 83 p 6

[Article by Sven Svensson]

[Text] Nine months after the election, most of the new votes for the Conservatives are being won at the expense of the Center Party. This is shown by the DAGENS NYHETER-IMU [Institute for Market Research] flow analysis of shifts in voter sympathies. The Center Party has lost 1.5 percent to the Conservatives since the election, but the Social Democrats and the Liberal Party are close on its heels with a loss of 0.9 percent each.

The flow analysis confirms that direct conversions from the Social Democratic Party to the Conservative Party are now occurring. It had been thought previously that the "defectors" were going to the Center or the Liberal Party.

The survey is based on the election results and on the results of the two voter barometers produced between April and June of this year. It covers a total of 1,803 voters.

In round figures, the election results gave the Conservatives 24 percent, the Liberal Party 6 percent, the Center Party 15 percent, the Social Democrats 46 percent, and the VPK [Left Party-Communists] 6 percent.

This spring's voter barometers give the Conservatives 27 percent, the Liberal Party 4 percent, the Center Party 14 percent, the Social Democrats 44 percent, the VPK 5 percent, and the Environment Party 3 percent.

Those results mean that the Conservative Party has gained 3 percent in new voters since the election and that the Environment Party has picked up 1.5 percent, while the Liberal and Center Parties, the Social Democrats, and the VPK have lost ground.

## Nonvoters

Those that gained must have picked up their new support either from the parties in Parliament, from the other parties, or from among the nonvoters.

In calculating the flows among the parties, the IMU used the decimal figures from the voter barometers instead of the rounded-off figures that are usually reported.

The flow analysis shows a category of loyal voters--that is, voters who feel that the party they voted for in the election is still the best--as well as the voters gained or lost.

The Conservatives show the greatest party loyalty, while the Liberal Party shows the least. Of the voters who voted for the Conservative Party in the 1982 election, 95 percent feel that it is still the best party 9 months later.

Of the Social Democratic voters, 93 percent are loyal, compared to 85 percent for the VPK, 82 percent for the Center Party, and 57 percent for the Liberal Party.

Party loyalty seems to be increasing in the case of both the Center Party and the Liberal Party. In a similar poll before the election, loyalty to the Center Party was down to 58 percent, and in the case of the Liberal Party it was down to 52 percent.

#### Environment Party

Of the Conservative Party's total increase of 3 percent since the election, 1.5 percent came from the Center Party and 0.9 percent each came from the Social Democrats and the Liberal Party. The Conservatives have also lost some voters to small parties and the nonvoters.

Of the Environment Party's 3 percent, half voted for the party in the election. Its additional 1.5 percent is made up of 0.5 percent each from the Center and Liberal Parties and 0.4 percent from the Social Democrats.

In exact figures, the Social Democrats are said to have lost 1.6 percent. Most of that loss was to the Conservative Party (0.9 percent), followed by the Center Party (0.5 percent) and the Environment Party (0.4 percent).

At the same time, the Social Democrats took sympathizers away from the Liberal Party (0.5 percent) and the VPK (0.3 percent).

The loss reported in the poll therefore totals 1 percent. The remaining 0.6 percent is explained by the fact that the poll does not account for exchanges with small parties not represented in Parliament or for nonvoters and first-time voters. The Social Democrats have also suffered losses in those groups.

#### Liberal Party Down

The Liberal Party has a net loss of 1.6 percent, according to the poll--0.9 percent to the Conservatives, 0.5 percent to the Social Democrats, and 0.5 percent to the Environment Party.

The Liberal Party's losses in three directions shed light on that party's dilemma. And the Liberal Party cannot show any net gain from the other parties in Parliament. On the other hand, the poll indicates that nonvoters in the previous election are showing an interest in the Liberal Party.

The Center Party's net loss is 1.3 percent, according to the IMU--1.5 percent of the voters went over to the Conservatives. The Center Party made up for that loss by taking 0.5 percent from the Social Democrats.

The VPK's loss of voters since the election is set at 0.6 percent--0.3 percent to the Social Democrats and the remainder to the other parties or to the group that does not vote.

11798

CSO: 3650/237

## PAPER VIEWS PROBLEMS, OUTLOOK FOR CENTER PARTY

Stockholm SVENSKA DAGBLADET in Swedish 19 Jul 83 p 2

[Editorial: "The Center Party"]

[Text] The 1970's were the decade of the Center Party. For the first time in 44 years, the Social Democrats were deposed. And it was the Center Party under the leadership of Thorbjorn Falldin that brought that about.

Now the time of greatness is past. Voter support of around 25 percent and above has been replaced by opinion poll figures of less than 15 percent. Many people are probably ready to write off the Center Party as part of history. The Green Wave of the late 1960's has ebbed out. With the growing awareness of social economic problems, the attractiveness of a party that would rather discuss the environment than the economy, that to a large extent symbolized the rebellion against the economic optimism and concentration of the boom years, has declined.

But the Center Party did not represent just the environment and nuclear power. It also represented decentralization. If environmental issues belonged to the 1970's, decentralization certainly is part of the 1980's. Technical development is on a small scale. Thus technology provides an opportunity to create if not a local society, at least one that is a good deal closer to the Center Party's vision than the big society that was part of the boom years.

The problem for the Center Party is that the policy of decentralization was never put into concrete form. Decentralization has remained a slogan. A kind of municipal centralism has filled out the vacuum left by the practical Utopia that was never formulated.

The reason for this inability to give tangible content to the decentralization policy can be sought to a large extent in the combination of non-socialist governments and the nuclear power issue.

During the first three-party government, nuclear power became a totally dominant issue. Thorbjorn Falldin put all his creative energy into pursuing this demand. There was little time to spare for the other aspects of Center Party policy.

Partly as a result of nuclear-power policy during the period of the first three-party government, gaps were created in economic policy. When the popular referendum was over in 1981, economic policy forced its way in on the Center Party and Thorbjorn Falldin.

All of this would not have been so difficult if Thorbjorn Falldin had not at the same time been almost alone as the heavyweight politician in his own party. There was no one who could compete with Thorbjorn Falldin for the honor of being party leader. There was no one who could possibly pursue policy in the Center Party except for the party chairman with the possible exception of Nils G. Asling and Anders Dahlgren.

That is where the Center Party finds itself today. The nuclear power issue has lost its political explosiveness. Environmental issues may be important to the voters, but they have also been defused politically. All parties now are increasingly becoming environmental parties. For the moment the party and Thorbjorn Falldin are pursuing a kind of bridging policy. In the expectation that the natural size ratios between the parties will be restored, Falldin is continuing to play a role as opposition leader. In the long run this bridging policy will be impossible. There is no natural size ratio between the parties.

The only way the Center Party can restore its size is to win votes and affect the feelings of people which are expressed by no other party, as it did in the late 1960's and early 1970's. The portion of the party's ideological heritage that will survive in the future is undoubtedly decentralization. But this is not a decentralization that is a political translation of the response of the Municipal League to various state reports. Instead a new decentralization policy is required that can merge the new technology with a market economy renaissance. That does not mean that another party might not be able to see the promise in developing small-scale societies that is contained in the new technology and in a renewal of the market economy.

While it is easy to point to the way of the future for the Center Party, this does not mean that it will be easy for the party to progress along that route. The policy of the Center Party is Thorbjorn Falldin's policy. It does not seem entirely likely that Falldin will want to start over from the point where the Center Party found itself in 1970 in order to build a new policy from the ground up.

In addition, many people in the Center Party, including Thorbjorn Falldin himself, are skeptical of the new technology. Thus it is by no means given that the Center Party would be able to exploit the political possibilities of the new technology.

Even if the Center Party is able to renew its policy, the problem remains that the Center Party, more than any other, is associated with the 6 years of nonsocialist government rule. Falldin incorporates the doubts and

uncertainties that are associated for many voters with the nonsocialist exercise of power.

This does not prevent Falldin from being the nation's strongest political personality when he hits things right. He has a political and moral force unmatched by any other Swedish politician.

Unless it fully utilizes Thorbjorn Falldin's capabilities, the party runs the risk of continuing its decline. Then it can either be the right wing's conservative rural party or a small town-based environmental party that remains alive on the nostalgia of the Green Wave. Neither kind of party will have much voter support by the end of the 1980's. Can Thorbjorn Falldin really pull it off one more time?

6578

CSO: 3650/248

## HOME GUARD ORGANIZATION ACCUSED OF SDP DISCRIMINATING

Copenhagen AKTUELT in Danish 29 Jun 83 p 14

[Article by Peter Bergen and Jorgen Krogh]

[Text] An attempt to make Social Democrats "second-class defense people" has caused concern in the Home Guard. Several Social Democrats have felt obliged to protest.

The officer corps and its discussions have always been dominated by bourgeois viewpoints. But until recently the Home Guard, where the volunteer manpower reflects an average of the population, has avoided political distinction and suspicions. Now the position of the Social Democrats in regard to the new NATO rockets has caused some bourgeois elements to lose their self-discipline. Individual command personnel have put themselves at the head of an action, the goal of which is apparently to raise doubts regarding the reliability of Social Democratic Home Guard people.

## Attack on Poul Sogaard

Thus, no less than four company commanders sharply attacked the Social Democrats and their people in the Home Guard at a meeting in the Nymindegab unit recently. Former Defense Minister Poul Sogaard, civil commissioner of the Home Guard for many years, particularly was accused of weakening the Home Guard and not "facing realities" seriously enough.

A company commander, a press officer and a private have made a common retort in the last number of THE HOME GUARD JOURNAL. Tage Jorgensen, Ove Hendriksen and Ove Heinkov protest the casting of suspicion on Social Democrats in the Home Guard, "as has occurred in print and work from some sides."

## Also Our Home Guard

"We feel it is also our Home Guard, and we can say this strongly in accordance with our belief that about 40 percent of the nation's Home Guard people are Social Democrats. It should do its bit in demolishing personal

attacks and in maintaining that there is not any question whatsoever for any new ideas regarding security policies."

Another facet of the new elitism in the voluntary defense is the move to form a society of the volunteer command echelon "to strengthen the effectiveness of the Home Guard for the benefit of Denmark's defense." One of the many officers who keeps his distance is the non-Social Democrat, Director Manfred R. Hielsen, Nykobing F.

#### A Rap on the Nose

He declares that politics belong to electoral societies. Manfred Nielsen also advises against creating distinctions among the members of the voluntary defense. And he gives the conjurers of divisions a rap on the nose with the observation that many among the privates argue better for Denmark's defense than the officers.

Knud Damgaard, editor of THE HOME GUARD JOURNAL and the Social Democrats' defense policy chairman:

"It would be unfortunate if the Home Guard were splintered because of a small number of company commanders. In my opinion, they have expressed themselves without having any mandate from the company they are to serve. Consequently, the plea of the Social Democrats for reasonable reflection awakens all in the Home Guard, irrespective of what party they belong to."

Meanwhile the Home Guard continues to grow. At the end of the year its strength will be over 78,000. It is the young people who are pouring in. Thirty percent of the newcomers are 18-19 years-old. Those 20-24 account for another third, while only a fifth of the newcomers are over 30 years.

#### Difficult to Have a Word

Less known is the fact that Social Democratic officers have difficulty in getting permission to express themselves in the defense debate. Lt Col P. O. Nielsen of the Defense Command had to fight with higher chiefs in defense to get permission to write a reader's letter to AKTUELT. The publication of his own organization, THE LINE OFFICER, continually denied him the word. even if it involved an innocuous contribution on reorganization in the military. So the lieutenant colonel had to turn to the publication of the constables and sergeants to advocate ending such forms of address as "What does the colonel think of?"

The bulletin board in the Defense Command is also edited selectively. While one can read bourgeois dictums on the nation's defense policies, the people employed in the Danish Pentagon can wait in vain to see something like P. P. Nielsen's heretical reader's letter in AKTUELT.

## BRIEFS

ORDERS MORE HARPOONS--The American Department of Defense informed Congress yesterday that it intends to sell Denmark 33 "Harpoon" rockets. Reuters Bureau in Washington writes that the rockets are worth 37 million dollars--about 342 million kroner. The materiel staff in the Defense Command does not quite understand the American communication. Its chief, Col T. K. Sorensen, says, "We don't have that much money with which to buy rockets. According to a document of the Finance Committee from last spring, we have 95 million kroner this year to supplement the Naval Defense's supply of 'Harpoon' rockets." The colonel does not wish to say how many rockets Denmark will purchase this year. According to what BERLINGSKE has learned from other sources, the purchase price for a single "harpoon" rocket is about 7 million kroner. Thus, about 14 rockets are involved. The Naval Defense's Materiel Command says that involved is an ongoing acquisition of rockets which has been going on for a number of years and is expected to extend over at least 5 more years. The Naval Defense has 15 vessels armed with "Harpoon" rockets. These are the 2 frigates of the "Peder Skram" class with 8 rockets each, the 3 corvettes of the "Niels Juel" class, likewise with 8 rockets and the 10 torpedo missileboats of the "Willemoes" class, each of which has 4 "Harpoon" rockets on board. [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 14 July 83 p 9] 6893

CSO: 3613/155

## SUNDSVALL BASE TIGHTENS DEFENSES AGAINST SUBMARINES

Stockholm SVENSKA DAGBLADET in Swedish 17 Jul 83 p 6

[Article by Thomas Jonasson]

[Text] If a submarine tries to force its way through the submarine network in Sundsvall, there are now enough resources there that the armed forces can set in an adequate weapons response.

The defense staff has been very reluctant to talk about the resources that would be set in in the Sundsvall area in the past.

The search for a foreign submarine started at the beginning of the week. By then about 20 people had gone to the defense staff and said that they had observed something resembling a submarine.

More eyewitness accounts came in after that. These also described mysterious backwashes near Sladaviken, Alnon.

During the last few days, the military authorities have set up a submarine network, under the utmost secrecy, inside a limited area in Klingerfjarden, north of Alno. The mine station at Aldernaset was also manned.

But so far the armed forces has received no definite indications of any submarines.

"We are not really sure that there is a submarine in the area. But I do not understand what it could be otherwise," Bertil Lagerwall of the Stockholm defense staff said.

#### Obstacle

Bertil Lagerwall told us that a submarine network does not really represent a barricade of the area in question.

"No, a submarine can get under or through a net. The net is only an obstacle, a hindrance to the sub. But if it tries to force its way through the net, it runs the risk of giving itself away.

"If a submarine tries to get through the net at Alno, we have sufficient resources there to make a satisfactory weapons response," Bertil Lagerwall said.

#### Forcing a Sub to the Surface

The goal is to force any submarines that might be there to the surface. This also involves a risk of sinking a sub.

Commander in Chief Lennart Ljung is being kept informed at all times of developments in the submarine search. The other military leaders are also following the intensifying submarine activity with great interest.

It is a secret exactly how great the resources are that the military has employed.

But the defense staff has confirmed that the level of readiness has been increased, that the submarine network was laid out, that the mine stations have been manned and that vessels are taking part in the search.

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Photo caption: The armed forces set up one of the submarine nets at Eriksdal, Alno. Draftees on surveillance ship 76 from KA 5 are keeping a constant eye on the red buoys. [Photo not reproduced]

#### New Reports

New reports came in from the public on Saturday. Once more, boat owners and leisure fishermen had seen ripples on the water off Alno.

According to reports, the observations did not lead to greater activity. Surveillance activity was very low throughout Saturday.

But so far, everything suggests that the navy will continue to search for what might turn out to be a submarine in the Sundsvall area.

6578

CSO: 3650/248

## SWEDISH EXPERT BACKS DENMARK IN DISPUTE OVER KATTEGAT LIMIT

Copenhagen BERLINGSKE TIDENDE in Danish 7 Jul 83 p 3

[Article by Michael Rastrup Smith]

[Text] Denmark is now being backed by a Swedish expert in international law in its dispute with Sweden over where to draw the common border in Kattegat.

From Denmark's point of view, the islands of Anholt, Laso and Hesselø should be taken into account when trying to determine the center limit between the two countries in Kattegat. "Denmark's point of view is definitely correct," said Jorgen Melander, associate professor at Lund University.

Melander finds Sweden's point of view, that the center limit be drawn without taking the Danish islands into account, absurd. "Sweden's position seems strange," said Jorgen Melander. "It is also involved in an unsettled dispute with the Soviet Union over where to draw the common border in the Baltic and, in that situation, Sweden takes precisely the same position as does Denmark in Kattegat, i.e., maintaining that the center limit in the Baltic be drawn between Gotland Island and the Soviet Union."

Yesterday, a Swedish Foreign Ministry official declared that Sweden will remain firm with respect to the limit in Kattegat when negotiations with Denmark begin in late August because Sweden, in his opinion, has international law on its side.

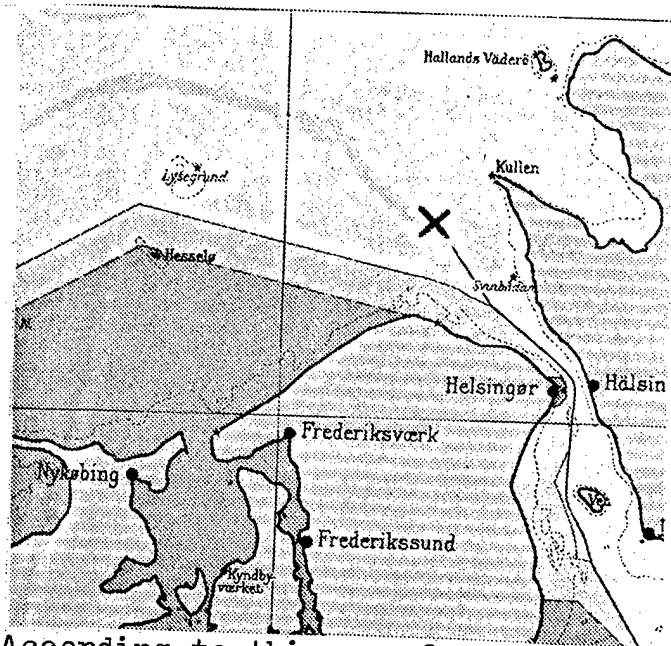
Jorgen Melander's response to that was:

"The Danish argument, in my opinion, is--without a doubt--the most reasonable according to international law. With respect to the international convention's decision on continental shelves in 1958, my interpretation of Article 1 b. is that an island must be used to determine the center limit between two countries' continental shelves."

A Danish expert in international law, Professor Jerzy Sawicki at Aarhus University Law Institute, like his Swedish colleague feels that Article 1 b. does back Denmark's position. At the same time, however, he calls attention to Article 6:

"It makes things more difficult because it states that no territorial center limit shall be drawn where special circumstances exist. Both Denmark and Sweden can make that claim, which means negotiations. According to practice, compromise is the solution," said Professor Sawicki.

However, Professor Sawicki does not take seriously Sweden's claim that it will stand firm because it has international law on its side. In his opinion, Sweden has neither more nor less of a chance to win the dispute than does Denmark.



According to this map from the Ocean Directorate, the common border runs outside Hesselo island. That means Sweden is wrong. The X marks the area where "Maersk Explorer" will soon begin drilling in search for oil.

8952

CSO: 3613/147

## NEGOTIATION OF FISHING AGREEMENT WITH RABAT POSTPONED

Madrid ABC in Spanish 1 Jul 83 p 13

[Article by Alberto Miguez]

[Text] A razor edge decision to postpone fishing agreement negotiations was made as the clock reached the deadline (midnight yesterday). Morocco decided to grant a month's delay to Spain for the negotiation of the fishing agreement. Nearly 1,500 Spanish fishermen working in the deep waters of the neighboring country will not have to go home. However, the agreement continues to be difficult.

Moroccan authorities finally agreed to a 30-day delay at the request of the Spanish representatives and because of the obvious impossibility of reaching agreement of such points are reducing licences, fishing limits, amount of fees, size of nets, and number of seamen included in the crews of our fishing boats, etc.

A communique from the diplomatic information office reported the agreement at the last minute yesterday afternoon with a pleasant and diplomatic account of the situation. They spoke naturally of "an atmosphere of frankness" which prevailed in the discussions and of "some points" on which agreement was not reached, and the necessity to arrive at a longer range (4-year) agreement which would be "advantageous and well balanced for both sides" set forth in a general treaty of cooperation.

Before the diplomatic information office released its account there had been much optimism in the Spanish Foreign Ministry. They were even saying that the Mystere expected to see minister Moran in Barajas so that in a lightning-fast trip he could sign the treaty today in Rabat. The Mystere will have to wait at least a month and even more because even though "significant advances" have been made, as they say in diplomatic language, the positions are still far apart.

In the first place, with respect to the reduction of the activity of our fleet in those waters, Morocco has agreed to a 50 percent reduction (they have dropped their demand for 70 percent) as long as it is done in one move. As an extreme measure Spain would concede a 40 percent reduction (some 600 vessels) as long as it was done gradually over the 4 years of the treaty's duration.

They are also far apart in the area of fees. Morocco wants over a 20 percent increase per boat and ton. Of course Spain logically prefers that the ship-owners pay much less.

Dimensions of the fishing vessels, security zones, fishing limitations, are some of the other sensitive issues to be discussed and which will be the subjects of further meetings in the remaining month.

8146

CSO: 3548/459

## FIRST ENVIRONMENT MINISTER AHDE COMMENTS ON PLANS

Helsinki HUFVUDSTADSBLADET in Swedish 3 Jul 83 p 9

[Article by Larserik Haggman: "Minister Matti Ahde Is Experiencing Crossfire in Regard to Building Up His Ministry"]

[Text] In a crossfire of expectations and fears, the future Minister of the Environment Matti Ahde, wants to begin to build up his ministry. "A lot of jobs and heavy responsibilities" is how he summarizes his task.

Ahde is prepared for a life under a magnifying glass after the 1st of October, when the ministry will get started. The problems are interesting and there was a lot of hullabaloo before the decision on the new ministry became clear.

Just now, the minister is putting a puzzle together with different parts from various ministries. They are to be put together to form a functioning unit that still will have to wait before it can come under one roof.

The process is colossal, the formalities are innumerable. Everything has to be rewritten.

"You can't just pull a ministry out of your sleeve," Minister Matti Ahde told HUFVUDSTADSBLADET.

"The law has been passed. We will get going on 1 October. The statutory instrument was laid down a few weeks ago. The tasks have been divided up. Claims of authority have been settled."

Information flows out of the future minister. Matti Ahde is not talking about environmental questions or his upcoming ministry for the first time.

"The positions that are being newly established are open to applicants. There are 37 new positions, plus those that are being moved over from other ministries."

Ahde does not think they will be enough, but they will suffice to get started with.

"We are hoping to find the people for the central positions now, during the summer. Then, looking at the situation objectively, they will be aboard and can help bring the new ministry into the world."

"That will not be so tremendously many new jobs. But how many people will be switched?" he was asked. "Certainly, a great many pieces will have to be fitted in."

"There certainly will be quite a number. A whole jungle of rules and regulations will have to be reworked. The reason, quite simply, is that units formerly belonged to other sectors."

#### Innumerable Formalities

Ahde points to conservation of nature and natural resources as an example. "At present, the minister of agriculture is the highest decision-making authority. Now that has to be restated. "There are a number of similar situations: the Ministries of Trade and Industry, the Ministry of Health and Social Affairs, etc.

"The process is tremendous. There are innumerable formalities. Everything has to be rewritten. You can't just pull a ministry out of your sleeve."

"Well, what do the civil servants think about this--the ones who are being moved?" he was asked.

"Quite naturally, the adjustment is a big one for many people. If nothing else, a new ministry entails at least a new atmosphere--another climate to work in."

The minister points out that there is a great deal that one has to try to get adjusted to and to come to terms with. He regards that as part of the jigsaw puzzle.

#### Under a Magnifying Glass

Ahde is also prepared for a life under a magnifying glass after the 1st of October.

He says, "A new ministry is not set up all that often. Furthermore, the questions we have to deal with are the kind that are interesting.

"The responsibility is felt to be even greater when there is quite a considerable amount of publicity.

"A lot of jobs and heavy responsibility" is the way the future environment minister summarizes his situation.

"Of course there are expectations. How are you going to be able to live up to them?" Ahde was asked.

"I think they are too high in the light of our capabilities," he replied. "Legislation and resources will determine the extent of our activities."

"As a matter of fact, there is no particularly large amount of legislation," HUFVUDSTADSBLADET's representative remarked.

"No. Our first task will be to tackle that matter--quite simply, to bring it up to date."

Ahde refers to the government's program and to opinions within the Riksdag and among the voters. According to him, enormous tasks have to be performed.

#### There Is Fear

"But it is not just a matter of expectations. We should not forget the fear of the new ministry, which also exists--or has been concocted.

"We should feel at home, somehow, in a crossfire of expectations and fear," he said.

In that atmosphere, Ahde will try to build something on mutual understanding and the practical building up of society. That, coupled with more and more effective measures against a breaking down of the environment.

"Is it a mistake to believe that the ministry must begin by putting forward proposals for laws that would regulate its own actions?" he was asked.

"First of all, we must take care of the conservation of nature and natural resources. That must undergo a total revision. "Perhaps our most important task is to unify and standardize the various systems of obtaining permission and communicating," Ahde said.

According to Ahde, the present multifariousness is one of the worst bottle-necks. Permission now has to be sought from a whole series of different authorities.

"It often is necessary to explain the same thing in different ways when one has to deal with different authorities."

"We must put a stop to that. The bureaucracy must be broken down and the system must be made to function," Ahde said.

"But many laws are expected. The government's program speaks of a revision of the building law, changes in the water law, a new law for protection against noise and the creation of an environmental administration on the district level," HUFVUDSTADSBLADET's representative remarked.

## Organization is Lacking

"At present, there is no organization in the administrative districts," Mr Ahde said. "That produces impossible situations where execution and supervision are concerned. We cannot look after such things from Helsinki."

Ahde also complains about the county government boards' small resources. Three people now are supposed to attend to air protection, waste, gravel problems, acquiring land, national parks and areas for the conservation of nature and natural resources.

"Just complaining won't work, Mr Minister."

"How much does the old struggle concerning the ministry leave its mark on the work now?" he was asked.

"I think that people have accommodated themselves to the Riksdag's wishes. That holds good both for civil servants and politicians," he answered.

"In any case, that does not mean that the problem is over. The water administration was unassigned when the decision to form a ministry was made. We must also come to a point of decision, little by little, on this question, too.

"Things have gone well up to the present. For example, the statutory instrument backed up the government solidly. I also am hoping for agreement on questions concerning appointments, and primarily to maintain the line of experts."

Ahde himself, with the Social Democratic Party behind him, has put unaffiliated Legislative Councilor Lauri Tarasti up for the position of head of a division.

## Principle, Not Tactics

"Is that a new Social Democratic Party tactic to nominate unaffiliated people for top positions?" Ahde was asked.

"That is not tactics, but it is a good principle to attach importance to expert knowledge and competence," he replied.

"We by no means exclude politically active people. They can also be competent."

Ahde stresses the fact that a head of a division in the environment ministry should be an administrator. On the contrary, he will look for department heads among the experts within the respective sectors.

"Even a few years ago, the Social Democratic Party always complained that there were too few Social Democrats. Are there so many of you now that you can afford to subsidize expert knowledge?" he was asked.

"No, no, but perhaps we went a little too far. There were too many package solutions.

"A verdict has now been passed on that line, both within the party and by public opinion in general."

#### Away with Packages

Ahde dissociates himself from packaging services that have nothing to do with the product. As the individual responsible for questions concerning appointments among the Social Democratic ministers, he words his guiding principle as follows: "Away with packages! Everybody should have the same opportunity--both the affiliated and the unaffiliated."

"Housing questions have also been assigned to the new environment ministry. How dominant are they?" he was asked.

"First of all, of course, it is a question of administrative practice. Politically, it is a matter of the number of residences, the annual production and the intention.

"Generally speaking, our system is in good order. But the law concerning rental housing will soon come up in the government. In that connection, we also are trying to do something about the shortage of rental housing."

#### The Fewest Residences for Rent

Ahde complains that there are more losses of rental housing today than new production. Finland ranks last in the industrialized world where the number of residences for rent is concerned.

In spite of that, the environment minister regards linking planning and residential production together as the big question.

"Quite simply, we have to pay greater attention to the construction area. We should even obtain government loans to bring order to the area surrounding housing.

In any case, Minister Ahde expects that the biggest questions will arise in connection with the budget negotiations in August. He thinks that, after all, the Finance Ministry will understand that a new ministry must receive a larger increase in its budget, on the average, and primarily on environmental questions.

"The Finance Ministry seems to want to cut down housing production for reasons of financial policy," he said.

#### 'Follow the Program'

"In any case, it says in the government program that it is to be maintained at the present level," HUFVUDSTADSBLADET's representative remarked.

"I take as my starting point the idea that we must follow the program," he said. "That wording did not come into existence by mistake.

"Annual production, then. It has been said that it is not going to reach the budget's target figure of 21,000 new residences," HUFVUDSTADSBLADET's representative said.

"Now, we have to distinguish between residences that have been started and mortgaged residences," Ahde said. "That figure stands for the residences that are starting to be built. The number of loans granted is something else again. It varies from year to year."

"Then do you recommend 21,000 new residences for next year?" he was asked.

"That is the level that is involved," he replied.

"We also realize that we cannot recommend more. It is difficult enough as it is."

"Production is going to decline in the future. Instead, we have to concentrate on renovation. We have to change our way of thinking. Actually, something other than new is going to have to be good enough," Matti Ahde said.

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## NEW FORESTRY INDUSTRY 'MODEL' NEEDED FOR ECOLOGY BALANCE

Helsinki HUFVUDSTADSBLADET in Swedish 3 Jul 83 p 8

[Commentary by Johan Ulfvens: "Misconceptions Regarding Environmental Management in the Woods"]

[Text] The time to blow the half-time whistle on the forests' year has already come. For several months we have been getting an unusually rich and many-sided dose of information on the use of the forests and on the outlook and expectations of the industry, forest owners and the environmental management people.

The fact that, in many cases, the information has trouble getting accepted is shown by the fact that the debate regarding the woods contains a great variety of misconceptions in regard to the way the environmental management people view the woods, among other things. One misconception which can cause unnecessary friction between the so-called environmental management people and forest owners is the fact that the environmental management people are allegedly involved in some sort of a conspiratorial coup attempt in this sector to take over the right to make decisions in the woods.

One could not draw a more erroneous conclusion. It is specifically the debaters within the environmental management organization who have defended the forest owners' right to decide on the forestry alternatives themselves.

The law on private forests gives the forest owner broad rights in regard to determining, himself, how the forest is to be managed.

The only condition the law makes is that the forest is not to be ravaged, and consequently one must see to it that renewal is guaranteed. I have pointed this out on many occasions and asserted that, within that broad framework, the forest owner has the chance to choose a soft or a hard line, as he sees fit.

The idea that the environmental management people are allegedly out to circumscribe those rights appears even more peculiar when one considers how the law is applied and interpreted today.

Anyone who wants to follow the hard line with clear felling and soil preparation does not encounter any problems. The forestry administration will back

him up. Anyone who wants to be more careful and thin out or regenerate in a natural way often has more difficulty. It has turned out that he actually is forced into the harder course, although the law does not give the people who monitor obedience to the law the authority to make decisions on such questions.

The trouble is that the law is interpreted literally, that recommendations have attained the status of requirements established by legislation and that expectations based on economic policy are forced upon forest owners.

Senior Forest Master Lauri Vaara is one of the people who have criticized the Forest Administration for this and said that the boundary between recommendations and requirements has disappeared. When one regenerates by means of clear cutting, one can be trying to achieve three things, he says. The first is that forest regeneration is guaranteed, which is required by the law on private forests. The second is the production of a large amount of timber, which is something the forest owner has a right to consider. The third thing is the use of "progressive" felling methods, and that also is a matter on which the forest owner decides.

Thus, it has become more difficult, in practice, to deviate from the path that the Forest Administration advocates. Freedom--the forest owners' elbow room--has been cut down. The result of that is that a forestry program that possibly adopts a skeptical attitude toward the Administration's methods and gives high priority to other values than maximum production of timber is difficult to put into effect.

Certainly the environment management people represent a view of the forests that really wants to give high priority to other values than timber production. But the environmental management people have not demanded that that view of the forests should be fixed by law, and consequently be forced upon the forest owners. Instead, the environmental management people adopt the line that a thoughtful forestry program is best put into practice if the nearly 400,000 forest owners get to continue to make decisions regarding the forests.

It would be even better if price policy favored action performed by oneself. A forestry program that is based on action performed by oneself within the framework of farming often provides good environmental management into the bargain--it is small-scale and individual instead of indifferent and mechanical.

My conclusion is that forest owners should not look askance at the so-called environmental management people by any means.

The enemies of the forest owners are to be found elsewhere, as is evident from plans to facilitate the forest industry's purchasing of land or introduce some kind of compulsory felling, for example. Such plans certainly would be unfair to the forest owners, for they would make them industry's peasant farmers.

Freedom and responsibility within a wide framework seem better than the system that has been introduced in troubled Sweden. There the forestry law orders

that consideration be given to the conservation of nature and natural resources while at the same time plans are being devised for the introduction of compulsory felling for older forests. It is an extremely contradictory situation. On the one hand, old forests have the greatest conservation-of-nature value, so they should be spared, but on the other hand there is an obligation to log them.

Another misconception is concerned with precisely these old forests. As we all know, one frequently hears that they are dull and monotonous. Unfortunately, people who promulgate such judgments have very little biological knowledge. Old forests are a variable biotope, with many microenvironments such as glades, recumbent tree trunks, hallow trees and dry stubble, which is reflected in an occurrence of birds, mammals, growths, insects, fungi and mosses that is rich in species--and many of them are concealed from direct observation. Furthermore, these most frequently are specialized species which can only survive in the old forests. That further increases their value--threatened species are of primary interest to the environmental management people.

The reason for this is not just esthetic romanticization, as many people think. There are also practical aspects, as well as ethical and cultural aspects of the question of the desirability of retaining old forests. A long-term timber production program is dependent upon many apparently "useless" species--for example, mycorrhiza fungi are important for the growth of the trees in the forests. A central ethical point of view in environmental management, of course, is the feeling that humans do not have a right to exterminate any type of animal or plant.

Consequently, it should be required of a forestry program that its activities should be limited in such a way that all wild animals and plants that occur naturally will be preserved. The same principles apply to many other undervalued environments. An open swamp is not a lifeless environment; instead, it is a habitat for many specialized plants and animals. That also applies to culture-influenced domains such as forest meadows, enclosed fields and meadows near the shore.

What all that concern about unusual environments that are rich in species amounts to is that it is a manifestation of the central purpose of the effort to preserve nature and natural resources, and that purpose is to maintain and, if possible, to increase nature's multiplicity.

That purpose encourages forestry to the greatest possible extent because the genetic variation of the trees in the forests is preserved and ecological mechanisms that encourage the forests' growth and slow down or prevent insect damage are maintained. When it is pointed out that all the multiplicity one can find in so-called natural forests is not natural, but is caused by humans, that is a correct observation, but that does not mean that it would be wise to exterminate a variation which earlier soil-using forms created. Instead, it would be a good idea to try to maintain it in view of the principle that multiplicity encourages stability in the ecological system.

The environmental manager says that the forests are becoming more one-sided, the standing growth is becoming all of the same age and monotonous and the fauna and flora are becoming impoverished, while the forester, in his turn--offended--wonders how that can be possible when the population of elk and game birds is increasing and the new growth is seething with life. They are talking about two different things here. What the forester notes as a favorable consequence of forestry efforts is in actual fact a manifestation of the spreading tendency toward one-sidedness and impoverishment. Specifically, there are only a few species that are becoming numerous, while many more, simultaneously, are becoming rare or threatened.

When the density of the elk and buskmarker populations increases because of present forestry efforts, that does not outweigh the fact that some 30 bird species, approximately 240 invertebrate animals and approximately 280 plants are threatened in the forests in Sweden, for instance (in Finland, we do not have an exact picture of how bad the situation is). Furthermore, such environmental effects of forestry work as are hailed as favorable from many points of view are even unfavorable and, as a rule, quite unintended (which does not make them especially effective as arguments for prevailing methods).

The increase in the number of elk as a consequence of the use of clear cutting, among other things, is enthusiastically hailed as something that is favorable, but society never asked for, or even wanted, too large a population of elk in view of what that implies in the way of damage to agriculture and the threat to traffic on the roads. The large elk population is an unintended side effect of forestry work. One could even say that forestry has given rise to a "pollution" whose unfavorable side effects society has to pay for.

In the light of such knowledge, it is natural to look for new forestry models that balance economic, cultural, ethical and ecological factors against each other. Environmental management wants to help society and forestry, not upset them. When environmental management talks about the importance of paying attention to and encouraging the occurrence of all kinds of berries, it is not doing so in an effort to achieve the "absurd goal" of changing forestry in such a way that it only produces berries and mushrooms (as Skogskultur recently expressed the matter here in HUFVUDSTADSBLADET). Instead, the objective is to encourage all kinds of forest products actively and maintain the forests' long-term capability to renew themselves.

The logic of the commitment to the forests of the environmental management people is crystal clear. It can be put into words approximately as follows: the forests are complicated pieces of machinery, all of whose parts are important where the undisturbed functioning of the whole is concerned. The forestry of today impoverishes the whole thing, and in doing so it damages itself. Consequently, forms of forestry that are better adapted to nature should be developed.

Furthermore, one might recall some words written by Olli Tammilehto. He says that life on earth is threatened, that most people want to do something to remove that threat and that there is no reason to be backward about putting that desire into effect. Life in the woods is also threatened, and there is no reason to refrain from trying to stave off that threat.

## PROVINCES FOUND TO GRANT ONLY    FEW AERIAL SPRAYING REQUESTS

Stockholm SVENSKA DAGBLADET in Swedish 26 May 83 p 7

[Article by Lennart Lundegardh and Henrik Ekman: "The Opponents Won--Few Exemptions for Spraying"]

[Text] The spraying exemptions: 3000 hectares are granted, 19,000 hectares declined. The spraying exemptions remain in general around 1/10 of the requested area, which is only 1/50 of what the forest cultivation would like to treat chemically against shrubs.

Now the opponents of sprayings have definitely won the battle over shrub fighting. In the country, there will be altogether only a handful of exemptions granted for aerial spraying of chemicals.

SvD has investigated the situation in the provincial governments which right now are deciding on the applications for exemption from the prevailing, principal spraying prohibition in the forests.

Altogether 400 applications have been received. It is a question of a total area of approximately 22,000 hectares. There will be permission for only 3,000 hectares at the most, SvD learned.

In the chemical investigation the normal annual need for spraying, based on economic grounds, was estimated to be around 90,000 hectares per year.

"If we add to that the delay which was caused in the 1970's and which means that, during the next five years, we need to spray additional 60,000 hectares per year in order to catch up, the total annual need will be 150,000 hectares," says Stefan Bucht, head of the forestry unit at the Forest Department.

### 3,000 Hectares Per Year

According to SvD's investigation, there will be only 3,000 hectares this year (Bucht: the result is even worse than what had been expected) and perhaps even less next year, when the communities will in practice take over the responsibility for the spraying decisions.

Some provincial governments have already given their decisions in the exemption issue. Three provinces, Stockholm, Halland and Kronoberg, did not receive any exemption requests at all.

In other provinces it will take a couple of weeks before the decisions are made, but the negative tendency seems to be evident, and the most important reason for that has been the population's concern about the means used in the battle.

According to the directions given by the environmental protection agency, a lot of weight should be given to this. Many communities have done so--and only in exceptional cases the provincial governments have acted against the communities' wishes.

### Confusing Decision Making

Several phone calls to the provincial governments' environmental protection units have given a picture of extremely confusing and shattered decision making, especially at the intermediate offices which have been the communities and the forestry boards in question. Some communities have evidently taken their decisions solely based on political grounds.

But also on the provincial level the decision making is unclear. In some provinces the board of citizens has decided on these matters or will do it in the future. In others people have been satisfied with decisions reached on the officer level. The province of Varmland is special, which can be seen in the separate article.

The exemption situation province-wise is reported separately with some subjectively selected points.

The present law of spreading chemicals over woody areas came into force at the end of last year. In February the provincial governments received the environmental protection agency's directions on how to proceed with exemption matters.

In other words, the aerial spraying of shrubs is, theoretically, prohibited, but exceptions can be made. In that case, there are, however, some special conditions to be fulfilled:

The woody area must be of minor importance to the recreational activities, the wildlife preservation, and the well-being of the local population. The fighting against shrubs has to be necessary for the regrowth of the forest. Furthermore, mechanical clearing must not be economically acceptable.

The community's idea about the importance to the outdoor life, etc., must be weighed carefully, according to the directions. The forestry board decides on the financial issue with either clearing method.

## Anxiety Into Consideration

If the local population feels "considerable concern" for the situation, this should be specifically taken into consideration before any spraying is permitted. Important berry grounds must not be sprayed.

This is the present situation this year. In 1984 there will be a new situation.

At that point, the communities have to mark out the forest areas they think should be exempted later on from sprayings. What is left over ends up with the forestry councils which should be able to grant exemption after usual evaluation based on actual need and economic situation.

Former Minister of Agriculture Anders Dahlgren (Center), who got plenty of needling when discussing the fighting methods, says in a commentary:

"The result is about the worst possible. Theoretically, there is a prohibition with certain possibilities to get exemption, especially in Norrland. It is not reasonable to put a total end to sprayings."

### 'Worse Next Year'

"The order of the decisions has not been successful," continues Anders Dahlgren. Apparently the handling of exemption matters has changed a lot in different parts of the country. It is said to get even worse next year, as the communities will take over."

"The boards of health will end up under lots of pressure, he says. The companies can threaten not to fell any timber if they cannot spray. It is said that concerned electors have told that if spraying is permitted, then those elected by the people will be voted out. That is not a good situation to reach reasonable decisions."

Bo Ohlsson at the Swedish Wildlife Association (SNF) is pleased with the development.

"It is good if communities and provincial governments now put pressure on the companies to bring up alternatives. We have said that the SNF accepts spraying in exceptional cases with the increased need existing at present. But as soon as it is cleared up, there will be no need anywhere."

### 'One Hectare Too Much'

Bjorn Eriksson, chairman of the environmental union, thinks that 3,000 hectares sound a lot.

"It is too much by one hectare. Now there will be fighting on the actual grounds. I would be surprised if the local groups give up the resistance."

## Varmland: Total Halt Social Democratic Decision

In Varmland the result was given beforehand. The Social Democrats decided already last fall not to go with any exemptions from the spraying prohibition.

Due to their majority at the board of citizens in the provincial government, they were then able to push their decision through.

Their party friend, governor Bengt Norling had his reservations.

"We are moving on thin ice if we decide beforehand to say no, regardless how the matter looks like, he says. Then we graze democracy's rules. As a matter of fact, the provincial government should decide."

The chairman of the party district, county councillor Stig Gustafsson maintains that the Social Democrats of Varmland are completely unanimous in this matter.

"Our group at the board of the provincial government, at the board of the district, in the communities--all over there is total unanimity."

## Health Main Reason

According to Stig Gustafsson, the main reason is the concern about the consequences of the use of pesticides to ecology and people's health, and besides that the employment situation in Varmland.

Jan Hyttring (Center), one of the six non-socialist members of the provincial government's board, presents the same arguments as reasons for his voting with the eight Social Democrats. Neither does he think there are sufficient, economic reasons for spraying instead of clearing manually.

"We are already clearing 18,000 hectares with chain saws," says Billerud's Forestry Chief Erik Edlund. In order to make it, we have strained ourselves up to the breaking point. The 480 hectares we would like to spray are the most inaccessible or regrown."

## "Difficult to Get People"

According to Erik Edlund, it is difficult to get people for the clearing. The hard work and the long distances make many people quit after a short while.

Stig Gustafsson doubts this information.

"If they quit, they will lose both their salary and their right to the unemployment compensation. If it is difficult to recruit, one wonders why many young people in the country council's training center outside Sunne have not obtained work after their forestry education. Besides that, a department of the forestry workers' union in eastern Varmland has reported that they have a high unemployment rate among their members.

Billerud clear-cuts approximately 6,000 hectares of forest annually. Around 2,000 of them would need to be sprayed, the rest cleared manually, according to Erik Edlund.

#### Will Appeal

The fact that the company is clearing this year, like in 1981 and 1982, as much as 18,000 hectares is, on one hand, due to a delay, on the other hand, because the new forestry law requires that this delay will be cleared by 1 January 1985.

The company will appeal against the provincial government's decision, at least in those regions where the department of forestry and the provincial government's environmental protection unit supported the spraying. It is a question of eight areas totalling around 200 hectares.

Should they get the permission during the month of June, the company is planning to carry out sprayings in the beginning of August.

#### Requests Province by Province

##### Province of Stockholm:

There has not been any requests.

##### Province of Uppsala:

Eight objects totalling approximately 625 hectares.

The applicants are Stora Kopparberg (342 hectares), Harg's plant (203) and Korsnas-Marma (81).

Decision: It is not clear, but there can be assents to one or more objects.

##### Province of Sodermanland:

Five objects totalling 147 hectares.

The biggest applicants are the state forest establishment (67 hectares in the municipality of Eskilstuna) and Jonaker's district land (54 hectares in the municipality of Katrineholm).

Decision: Probably it will be made on the civil servant level. The intermediate decisions from municipalities and forestry boards are not clear, and therefore, the result is uncertain.

##### Province of Ostergotland:

Twelve objects totalling approximately 500 hectares.

The applicants are the state forest establishment, as well as eight companies and private citizens.

Decision: It is already clear as to the following objects: yes to 83 hectares in the municipality of Atvidaberg, no to 175 hectares altogether in the municipalities of Avidaberg, Linkoping, Motala, Finspang and Ydre. Furthermore, probably yes (the decision will be made on 30 May) to 76 hectares in the municipality of Valdemarsvik and 42 hectares in the municipality of Kinda, as well as no to 5 hectares in Kinda.

The total will be such that approximately 200 hectares out of the requested 500 hectares can be sprayed, which percentwise is the biggest share among the provinces.

Province of Jonkoping:

Nine objects totalling approximately 175 hectares.

The state forest establishment has made a request for the whole area, except for 19 hectares (Kvill's plant).

This concerns three municipalities and they have all said no. Eventually, there will be some exceptions; probably, a decision from the provincial government, too.

Province of Kronoberg:

The state forest establishment left an application for 3 objects, but cancelled it later on, due to the population's protests.

Province of Kalmar:

Six objects totalling 61 hectares. The state forest establishment makes a request for 12 hectares in the municipality of Vastervik, but both the municipality and the forestry board have said no, and it is said that the civil servants in the provincial government will do the same. The intermediate decisions on remaining, private requests in the municipality of Hultsfred and Vastervik are not clear.

Province of Gotland:

Three small objects (totalling approximately 20 hectares).

The decision situation is unclear, but the forestry board has already said no to one of the objects.

Province of Blekinge:

One object of 59 hectares in the municipality of Ronneby.

The municipality has said no, the forestry board partially yes. Heavy protests from the population at an earlier stage prepare the provincial government to say no.

Province of Kristianstad:

Five objects totalling 92 hectares.

Solely private applicants. The municipality and the forestry board have said yes to two areas totalling 13 hectares in Hallandsasen and Ryssberget, but they both are of such importance to recreational activities that the provincial government can be expected to decline all objects.

Province of Malmohus:

Three objects totalling 40 hectares.

The municipalities of Trelleborg and Horby have already said no to two of the areas, and it seems that the provincial government (civil servant matter) declines all of them.

Province of Halland:

There has not been any exemption requests.

Province of Goteborg and Bohus:

One object of 22 hectares in the municipality of Kungälv.

The municipality says no, the forestry board yes. This week the provincial government is going to decline since it is considered that both intermediate offices have to say yes in order to be able to grant permission.

Province of Alvsborg:

Ten objects of approximately 290 hectares.

There are 6 municipalities involved.

The only one which is clear is the community of Ale where the provincial government is going to say no (the community and the forestry board have already done that), but probably there will be refusals of the others, too.

Province of Skaraborg:

Twenty-four objects totalling 355 hectares.

Altogether there are 10 municipalities involved. The state forest establishment is the only applicant. It is clear that 10 hectares in the municipality of Vara get an affirmative answer. Eventually, there will also be permission for the areas in the municipalities of Falköping and Tidaholm.

Province of Varmland:

Twenty-nine objects totalling approximately 480 hectares (originally there were 673 hectares, but part of it has been cancelled).

Billerud, which was the only applicant, got refusals of everything. See the separate article.

Province of Orebro:

Eight-four objects totalling 1,760 hectares.

The provincial government declined all of them last Friday.

Province of Vastmanland

Ten objects totalling approximately 290 hectares.

The situation is unclear. The decisions are taken by the civil servants during the month of July. However, it is obvious that some of the objects will be declined.

Province of Kappenberg:

Fifty-six objects totalling 2,019 hectares.

Out of the eight municipalities involved only Smedjebacken has said yes to some of the objects: 5 out of 8. In Ludvika members of the municipal council rejected the council's proposal. It wanted to support eleven projects. They all got declined.

Province of Favleborg:

Thirty objects totalling 1,226 hectares.

Five applicants: Kopparfors, Stora Kopparberg, the state forest establishment and one private citizen. Ten municipalities are involved. Eight of them say no. Gavle supports, but hopes in its answer that the provincial government would make the adjustments which the government for its part wanted the municipalities to make, Hofors supports the state forest establishment's three objects which the forestry board wants to reject on economical grounds!

Province of Vasternorrland:

Four objects totalling almost 1,000 hectares.

Two applicants: Svano and Graningeverken. But not SCA. "We do not want to waste our energy when it is so uncertain," says company representative Hans Wessberger.

The decision expected on 27 May. Probably it is negative.

Province of Jamtland:

Five objects totalling almost 1,000 hectares.

Two applicants: Stora Kopparberg-Bergvik in the municipality of Harjedalen and Graningsverken in the municipality of Stomsund. Both municipalities want rejection.

Province of Vasterbotten:

Thirty-three objects totalling approximately 2,600 hectares.

Three applicants: Svano, Graningeverken and the state forest establishment. The plant has more than 2,000 hectares. Neither SCA nor MoDo has applied.

The six municipalities involved want to decline all exemption requests.

Province of Norrbotten:

Sixty-nine objects totalling around 9,000 hectares.

The state forest establishment has submitted all the requests.

The provincial government has decided to say yes in twelve cases, which comes to a total of 2,300 hectares. In three of them the municipalities involved had said no (Pajala, Alvsbyn and Arjeplog).

Arjeplog plans to appeal. As to the state forest establishment, it will probably give up.

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## COST, FEASIBILITY OF GIBRALTAR STRAITS TUNNEL

Barcelona AVUI in Catalan 30 Jun 83 p 4

[Text] The cost of a railway tunnel to join Europe and Africa under the Strait of Gibraltar is about 3 billion dollars (435 billion pesetas, stated the vice-president of the Spanish Company for a Fixed Link to Gibraltar (SECEG), Vicente Garcia Alvarez, in his address to the international seminars on transports in the Mediterranean region which is currently being held in Barcelona.

These figures are contained in a report prepared by the Spanish SECEG company which, together with the Moroccan SNED, both state-owned, is concluding studies to lay down the guidelines for a fixed link between Europe and Africa.

According to this report of the Spanish company, the railway tunnel will be 11 meters in diameter with a service gallery "due to the impermeability of the geological formations and the non-existence of the strait's great fault." "There is nothing right now to show that this type of link is not feasible from the standpoint of engineering," the writer of the report asserted.

#### A milestone for dreamers

The narrow distance between Europe and Africa at the Strait of Gibraltar, 13.8 km, long ago sparked in several military, technical and political dreamers the idea of permanently linking the two continents at this point on the planet. The dream could now become a reality with the continual advances in technology.

In the course of time, as the author of the report explained, and intermittently, different commissions have worked in Spain to study the possibility of a fixed passage between Europe and Africa through the Strait of Gibraltar. A royal meeting between the kings of Spain and Morocco injected new life into this old project of linking Europe and Africa by way of the Strait of Gibraltar. For the first time in history, the detailed study was made of a mixed commission from the two countries to study the matter. The two countries agreed to study jointly the feasibility of a permanent link at the Strait. The two governments have set up two state-owned companies, one in Spain and the other in Morocco.

The writer explained that the Moroccan company too has studied the technical feasibility of the tunnel, as well as the feasibility of building a bridge on fixed supports with a 2,000-meter span. The cost of this solution is estimated at a similar figure.

This bridge would be a thoroughfare for cars and trucks. The SNED study concluded that a mixed solution between a railroad tunnel and a bridge would also be feasible.

From their inception, the two companies have reached the following conclusions about the geology of the area: the geological continuity between the two parts of the strait is assured and there are no major tectonic irregularities there; the terrain is impermeable and the resistance of the terrain for tunnel excavation is acceptable. The main problem in digging a tunnel will probably not be the numerous tectonic irregularities, but rather their imprecise location.

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END